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REPORT

OF THE

COMMITTEE

FOR

INVESTIGATING THE AFFAIRS

OF THE

OLD COLONY RAILROAD

COMPANY,

APPOINTED BY THE STOCKHOLDERS,

DECEMBER 26, 1849.

BOSTON:
1850.
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CHIEF OFFICERS

OF THE

OLD COLONY RAILROAD COMPANY,

FROM ITS ORGANIZATION.

1844-5.

DIRECTORS.—JOHN SEVER, *President.*
ADDISON GILMORE,
ISAAC L. HEDGE,
NATHAN CARRUTH,
JACOB H. LOUD,
WILLIAM THOMAS,
URIEL CROCKER.

TREASURER.—ADDISON GILMORE.

SUPERINTENDENT.—JOSEPH H. MOORE.

1845-6.

DIRECTORS.—NATHAN CARRUTH, *President.*
JOHN SEVER,
ISAAC L. HEDGE,
JACOB H. LOUD,
WILLIAM THOMAS,
URIEL CROCKER,
JOSIAH QUINCY, JR.

TREASURER.—ADDISON GILMORE.
" URIEL CROCKER.

SUPERINTENDENT.—JOSEPH H. MOORE.

COMMITTEE ON FINANCE,

MESSRS. CROCKER, THOMAS, AND HEDGE.

1846-7.

DIRECTORS.—NATHAN CARRUTH, *President.*
JOHN SEVER,
ISAAC L. HEDGE,
JACOB H. LOUD,
WILLIAM THOMAS,
URIEL CROCKER,
JOSIAH QUINCY, JR.

TREASURER.—GEORGE N. FLETCHER.

SUPERINTENDENT.—JOSEPH H. MOORE.

COMMITTEE ON FINANCE.

MESSRS. QUINCY AND CROCKER.

1847-8.

DIRECTORS.—E. H. DERBY, *President.*
JOHN SEVER,
JACOB H. LOUD,
ISAAC L. HEDGE,
WILLIAM THOMAS,
URIEL CROCKER,
H. H. HUNNEWELL.

TREASURER.—GEORGE N. FLETCHER.

SUPERINTENDENT.—JOSEPH H. MOORE.

COMMITTEE ON FINANCE.

MESSRS. DERBY, CROCKER, SEVER, AND HUNNEWELL.

1848-9.

DIRECTORS.—E. H. DERBY, *President.*
JOHN SEVER,
URIEL CROCKER,
H. H. HUNNEWELL,
ISAAC L. HEDGE,
JACOB H. LOUD,
PELHAM W. HAYWARD.

TREASURER.—GEORGE N. FLETCHER.

SUPERINTENDENT.—JOSEPH H. MOORE.

COMMITTEE ON FINANCE.

MESSRS. DERBY, CROCKER, AND HUNNEWELL.

TO THE STOCKHOLDERS

OF THE

OLD COLONY RAILROAD.

The Committee appointed under the votes hereinafter recited, to investigate the condition of the Old Colony Railroad Corporation, respectfully submit the following

REPORT:

At the annual meeting of the Stockholders on the 26th day of December last, the following votes were adopted;

"Voted, That when this meeting is adjourned, it be adjourned to meet at this place in nine weeks from this day, at 10 o'clock, A. M.

"Voted, That a Committee of five Stockholders be chosen by nomination, from the meeting at large, to retire and report the names of five gentlemen, holding stock in the Corporation, who shall, when chosen, constitute a Committee of Investigation.

"Voted, That said Committee of Investigation be, and they hereby are, charged with the duty of faithfully and rigidly investigating the condition of this Corporation; of ascertaining its liabilities, as well as its property and resources, and their value and productiveness; the past history and management of the Road; the reason of the great expenditures of the Corporation; the extent to which free tickets are, and have been, allowed; the profit

or loss, accruing from the gravel train and the several Branches of the Road; and whether any or either of them should be discontinued; the expediency of disposing of any of the real estate, or other property of the Corporation; the names and salaries of its higher officers; and the number and pay, both individual and aggregate, of its other employees; the general and average rate of fare on the Road, and whether the same be too high or low; the manner in which fuel, engines, repairs, and the equipment of the Road have been contracted for, and the rate at which they have been paid for; the policy of reducing the number of, or of discontinuing any, and what, trains upon the Road; the manner of keeping the accounts of the Corporation, and whether the same can be simplified to the Stockholders; and, generally, all other matters and things, a clear understanding of which is, or may be, useful to the Stockholders, or conducive to their interests; and said Committee of Investigation are requested and directed to make any recommendations or suggestions to the Stockholders, touching and concerning all matters committed to their charge, which they may deem of interest to the Stockholders, or beneficial to the Corporation.

"Voted, That the President, Directors, Treasurer, Superintendent, and other Officers of the Corporation, are hereby requested to give said Committee of Investigation all the information in their power, both orally and by affording them access to the books and papers of the Corporation; that said Committee are hereby empowered to fill any vacancies which may arise or exist in their number; that they shall receive a reasonable compensation for their services; and that they present their report in writing at the adjourment of this meeting."

Isaac Parker, Charles Mixter, Ellis G. Loring, and John Collamore, Jr., of Boston, and Alexander Holmes, of Kingston, were chosen said Committee of Investigation.

Subsequently, on the ninth day of January last, Messrs. Isaac Parker and Ellis G. Loring declining to serve on said Committee, Francis B. Hayes, of Boston, and Nathaniel Whiting, of Watertown, were chosen to fill the vacancies which had thus occurred.

The Committee having been organized, appointed Mr. John L. Coffin to be their Clerk, who has faithfully discharged his duties.

At the Stockholders' meeting, held by adjournment on the twenty-seventh day of February last, the Committee reported that they had not been able to complete their investigations, and asked for further time to do so. This request was granted, and the Committee were directed to cause their report to be printed for the use of the Stockholders, one week before April 16th, 1850.

At the same meeting, John Russell, Esq., of Plymouth, presented certain resolutions in respect to the future management of the Company, which were referred to the Committee. The subjects of the resolutions have been considered by the Committee; but, for the sake of brevity, the resolutions will not be specifically alluded to in this report.

Immediately upon the organization of the Committee, they proceeded to investigate the books and accounts of the officers of the Company, the condition of the Road-bed, and with several of the Directors of the Corporation, and with the Superintendent, to examine, on different days, the Main Line, as well as the Branches of the Road, inspecting the property belonging to the Corporation, and the books and accounts of the different station agents.

A Sub-Committee has, moreover, through the courtesy of the officers of the Western, and Boston and Worcester Railroads, passed over the entire line of these Roads, from Boston to Albany, accompanied by Addison Gilmore, Esq., the President of the Western Railroad, and as far as Springfield, by George B. Blake, Esq., one of the Directors of the Worcester Railroad; and they were permitted to examine the officers and employees of the Western Railroad, and its machine shops at Springfield and Albany; and, likewise, the accounts and books of the Western Railroad at Albany, Springfield and Boston, for the purpose of eliciting information that might assist them in discharging the duties you had imposed upon them. They were impressed with the excellent system existing in every department of the Western Railroad Corporation, which they visited.

In examining the condition of the Old Colony Railroad Company, it became necessary for your Committee, to enter, in the first place, the Treasurer's office, and to examine the books and system of transacting the business of that office.

They were so much surprised at discovering the many imperfections in the administration of this department, and were likewise so greatly oppressed with the difficulties which they met with at every step, in ascertaining the situation of the affairs of the Company, through its Treasurer and other officers, that they decided to propose interrogatories, in writing, to those who might be able to give them the information which was sought for. Interrogatories were accordingly framed, and submitted to the different persons whom the Committee invited before them for examination. The answers obtained were given either in writing, or were reduced to writing by the Clerk, and were read by, or to, each one who was

examined; and each, after having corrected, approved the record of his evidence. No one was present during these examinations, except the Committee with their Clerk, and the individual examined.

A transcript of the record of these examinations will be found at the end of the report, under the title of Evidence, and will present to the Stockholders the best idea of the past history and management of the Company's affairs which the Committee can give, with their means of information.

In reporting upon the matters submitted to their consideration, your Committee have thought it advisable to arrange the subjects under such heads as would most briefly, and orderly, present the results of their investigations.

ACTS OF INCORPORATION.

The powers of this Corporation are derived from certain Acts of the Legislature of Massachusetts, which are styled;—

1st. "An Act to establish the Old Colony Railroad Corporation." Passed March 16, 1844.

This Act authorizes the construction of a Railroad from South Boston to Plymouth, with a capital of $1,000,000 in 10,000 shares.

2d. "An Act to authorize the Old Colony Railroad Corporation to construct a bridge over Jones River." Passed March 14, 1845.

3d. "An Act to authorize the Old Colony Railroad Corporation to build a Branch Railroad from Abington to Bridgewater." Passed March 26, 1845.

This Act authorizes the Old Colony Railroad Company to increase its Capital Stock by an amount not exceeding $400,000.

5th. "An Act to increase the Capital Stock of the Old Colony Railroad Corporation." Passed April 6, 1846.

This Act authorizes the Old Colony Railroad Company to increase its Capital Stock by creating an additional number of shares, not exceeding five thousand, of one hundred dollars each, for the purpose of completing the Road, and building a second track on such part as the Corporation may deem necessary.

6th. "An Act to authorize the Old Colony Railroad Company to extend its Railroad in Boston." Passed March 13, 1847.

By this Act the Corporation may increase its Capital Stock, not exceeding $100,000.

7th. "An Act to authorize the Old Colony Railroad Corporation to widen its Road, and locate and construct a second track between Boston and South Braintree, and to make Branches in Quincy and Dorchester." Passed March 27, 1848.

Under this Act the Corporation is authorized to increase its Capital Stock by $100,000, and to construct a Branch Railroad in Quincy, to commence near the Neponset river, and thence running through Mount Hope to the Granite Railway, a distance of about one and a third miles.

8th. "An Act in relation to the Old Colony Railroad Corporation." Approved by the Governor, May 1, 1849.

By this Act the Corporation is authorized to discontinue any portion of its Road in Boston, and to carry out its contract to lease the South Shore Railroad.

CAPITAL STOCK.

It appears from the above Acts that the whole number of shares authorized to be created, is 21,000; which, at par, makes the authorized capital $2,100,000.

The capital of the Company is now represented by 19,650 shares actually paid for; which number is one less than the number stated in the Directors' Report to the Stockholders for December, 1849.

The table marked C, contained in the Appendix, page 154, is referred to for a detailed statement, in respect to the stock which has been issued.

By this table it appears that the actual sum realised by the Company for the 19,650 shares which have been sold, is $1,836,163.62. The real par value of the stock then, is about $93.44 a share.

The difference between the actual amount realised from the entire Capital Stock and the nominal par value, $128,836.38, which amount has been carried through Interest and Contingent Accounts, ultimately to Construction Account.

The distribution of Stock among the Shareholders on March 1st, 1850, will be seen by reference to the table marked D, page 155 of the Appendix.

CONSTRUCTION.

It appears by the Treasurer's return, that the amount charged to Construction Account on February 1st, 1850, was $2,297,614.18. In this amount are included all the sums charged for the Main Road, the Abington and Bridgewater Branch, and other property belonging to the Company, in which the capital is invested.

The Committee have expended much time in exam-

ining this account, and they are satisfied that large amounts have been improperly carried to it, which should have been borne by Income. Many of these items are alluded to in the Evidence, but all of them cannot be enumerated. In the schedule of the property of the Company, some of the principal items which have been improperly charged, are mentioned.

The sums which have been carried to Construction Account, in the years 1848 and 1849, will be seen by reference to table E, page 157 of the Appendix.

Your Committee recommend that Construction Account, as well as Contingent Account, be closed in the books of the Corporation; and that all amounts which it may be necessary to expend for future improvements, or for unsettled damages, be deducted from the earnings of the Road; and that no charges shall be made to these accounts in future, unless by direction of the Stockholders, at a special meeting to be called for the purpose.

It is undesirable that any further expense should be incurred, except what is absolutely necessary for carrying on the present business of the Company.

PROPERTY OF THE COMPANY.

The Committee are aware of the difficulty which exists in estimating the value of a Railroad, as this depends upon the amount of its business. It seems proper, however, to give the Stockholders some idea of its value, and we have, therefore, endeavored to do so, by approximation, upon the basis that the Main Line, with the Equipment, is worth the actual cost, deducting deterioration of Road-bed and of Equipment; and we have estimated the value of the other property from appraisements. It seems to us that the Road-bed of the

Main Line, after deducting the amount of the deterioration, as estimated by Mr. Parrott, a most competent Engineer and appraiser of this description of property, with the depot and other buildings, could not be constructed at this time for a less sum than they have cost. What would be the cost is not, however, a fair criterion of the present value of the Road to the Stockholders—its value depending upon the amount of the business which it can command; and its cost would now be increased from the fact that the land through which the Road passes has risen in value, on account of the construction of the Road itself.

It seems proper, in this connection, to remark, that the Road between Plymouth and Abington inclusive, was built under the judicious supervision of Mr. John Sever, and there is no outlay between these last named places which can be objected to. If the entire Road had been always under as good management as it was during the period when Mr. Sever was the President, the stock would have stood high, and deservedly so, in public estimation, at the present time.

The Committee have caused a lithograpic map of the Old Colony Railroad, with its Branches and connecting Roads, and a Plan of lands in Boston belonging to the Old Colony Railroad Company, to be executed, for the information of the Stockholders; which are annexed to this report.

In order to obtain the actual cost of the Main Line, and all the Equipment belonging to the Company, we deduct from the sum total of Construction Account, what has been wrongly carried to that Account, and what must be deducted for deterioration; and, also, the charges which evidently do not belong to the account of the Main Line.

AMOUNT CHARGED CONSTRUCTION ACCOUNT TO FEBRUARY 1, 1850, AS RETURNED BY THE TREASURER, - - - - - - -			$2,297,614.18
Deduct the following items improperly charged to Construction, and for which the Company received no pecuniary advantage.			
Damage by fire at Neponset, - -		8,025.00	
Amount paid Boston and Worcester Railroad, award for leaving depot, - -		6,142.49	
Expense of the Forbes petition, - -		500.00	
Discount on stock and bonds, and brokerage for purchasing and selling stock and rights from March 3, 1848, to Nov. 10, 1849, - -	162,045.79		
Paid for financial services, Aug. 16, 1848, - -	111.00		
		162,156.79	
Amount carried from Interest Account to Construction Account, December 28, 1848, - - -	66,586.94		
Less interest on capital employed in building the second track and freight depot, estimated at	6,586.94		
		60,000.00	
			236,824.28
			$2,060,789.90
Deduct Deterioration.			
Deterioration of Road-bed in rails, sleepers, &c., as estimated by William P. Parrott, - - - - -		16,013.00	
Deterioration of Engines and Cars, as estimated by George S. Griggs and M. C. Andrews, - - - -		25,518.00	
			41,531.00
Amount carried forward,			$2,019,258.90

Amount brought forward,			$2,019,258.90
Deduct the following items which are of the value estimated hereinafter.			
Amount charged Construction Account from the Granite Branch Railroad Account, which includes the Mount Hope Farm, - - - -	18,363.52		
Superstructure and bridging for the Granite Branch, as per Superintendent's return, - - - -	4,005.75		
		22,369.27	
Plymouth Hotel (including land for site) and furniture; most of the items composing this amount were improperly charged to Construction; but the amount of the charges represents property of some value, as hereinafter estimated, - -	51,524.69		
Real Estate between Beach and Kneeland Streets, flats at South Boston, and real estate on the line of the Road, - - -	119,595.73		
		171,120.42	
Abington and Bridgewater Branch Railroad, - - - - - -		125,065.59	
Road-bed to Taylor pit, - - - -		2,228.45	
2 miles of iron for gravel train, - -		9,022.00	
Freight depot for the Fall River Railroad, at cost, - - - - -		68,162.83	
			397,968.56
Valuation of Main Line and Equipment,	- -		$1,621,290.34

VALUATION OF ALL THE PROPERTY.

The following is a Schedule of all the property belonging to the Company, with an approximate valuation thereof, taken February 1st, 1850.

Road from Boston to Plymouth, with 11½ miles double track between Boston and South Braintree, and 26

miles single track between South Braintree and Plymouth, including depot buildings, engine house, machine shop and fixtures, motive power, and the furniture of the Road. Also, real estate appraised at $69,591.50, not required for immediate use, but which may be wanted for an increased business, as per valuation above, - - - - - - -		1,621,290.34
Abington and Bridgewater Branch $7\frac{3}{100}$ths miles single track, including the depot buildings on the line, depot, engine and car house at Bridgewater, and about five acres of land not used for the Road, as estimated by Superintendent, - -	43,700.00	
Road-bed to the Taylor pit, estimated by the Superintendent, - - -	2,228.45	
Real Estate and other property, including Plymouth Hotel and Furniture, not required for the use of the Road, as by the estimate of judicious appraisers, - - - - - -	135,354.82	
Granite Branch, leading to the Mount Hope pit $\frac{6}{100}$ths of a mile, as per return of Superintendent, - - - -	3,206.60	
Claim against William Evans for the Mount Hope farm, as rendered by the Treasurer, - - - - - -	14,352.10	
Wood on hand and paid for, in Boston and on the line of the Road, estimated by the Superintendent, - - -	13,080.00	
Freight Depot for the Fall River Railroad, at cost, - - - - -	68,162.83	
Gravel at Taylor pit, as returned by the Treasurer, at cost, - - -	11,770.15	
Cost of 2 miles iron, loaned William Evans for gravel train, - 9,022.00		
Less deterioration, as estimated by the Superintendent, - - - - 225.56		
	8,796.44	
Stock on hand in Machine Shop, - -	10,957.91	
Amount carried forward,	$311,609.30	$1,621,290.34

Amount brought forward,		$311,609.30	$1,621,290.34
Stock on hand in Paint Shop, - -		837.36	
Accounts and notes receivable, exclusive of interest (except $2,489.24 interest on F. K. Bartlett's note secured by mortgage) as estimated and returned by the Treasurer, - -	38,197.29		
Cash on hand, as rendered by G. N. Fletcher, Treasurer, viz:			
Balance in Bank, - -	5,500.21		
Specie and Bills, - -	168.58		
Bad bills in pocket book, -	29.00		
Counterfeit silver, - -	4.00		
Uncurrent money, - -	252.00		
Cash items due from sundry persons, - - -	1,751.81		
Due from George N. Fletcher, Treasurer, - -	577.61		
	$46,480.50		
The Committee deduct for bad debts; and worthless items in the amount rendered by the Treasurer as cash on hand, - -	8,000.00		
		38,480.50	
			350,927.16
Total Valuation, - - - - - -			$1,972,217.50

LIABILITIES.

According to the best information your Committee could obtain, the liabilities of the Corporation were, on the first of February, 1850, as follows, viz:

ASCERTAINED DEBTS.

Notes and Accounts payable, exclusive of interest (except one month's interest on bonds) as rendered by the Treasurer - - - -	$52,600.51
Balance due to sundry persons, not included in above, - - - - - -	1,162.09
Amount carried forward,	$53,762.60

Amount brought forward,		$53,762.60	
211 Bonds of $1,000 each, payable January 1, 1854, with interest semi-annually, - -	211,000.00		
183 Bonds of $500 each, payable as above, - -	91,500.00		
263 Bonds, of $100 each, payable as above, - -	26,300.00		
		328,800.00	
			$382,562.60

UNSETTLED.

There are sundry contested claims against the Company, as of the Worcester Railroad, for crossing the Hatch wharf; land damages on the line; and for personal injuries, &c.; which are estimated by E. H. Derby, Esq. not to exceed - -	35,000.00
	$417,562.60

CONTINGENT.

The Company are liable on the following guaranties:			
Guaranty of 60 Dorchester and Milton Branch Railroad Bonds, of $500 each, - - - - -		30,000.00	
Guaranty of South Shore Railroad Bonds, in 1848,	25,000.00		
Less amount destroyed, per statement, page 32,*	18,200.00		
		6,800.00	
			$36,800.00

* The following return, made by Mr. Fletcher to the Committee, in respect to these guaranties, will give some idea of the want of system which has existed in the Treasurer's Office.

"Endorsed for the South Shore Railroad Company, Dec., 1848, $25,000 of their Bonds. $18,500 of the same, I understand from Mr. Derby, have since been destroyed.

"The number and the denomination of the Dorchester & Milton and South Shore Bonds, I cannot give, nor dates, nor when payable.

GEO. N. FLETCHER, Treasurer."

SUMMARY OF DEBTS AND ASSETS.

Value of property, brought from page 19, -		$1,972,217.50
Deduct amount of ascertained debts, from page 20, - - - - - -	382,562.60	
Deduct estimated amount of unsettled claims, from page 20, - - -	35,000.00	
		417,562.60
		$1,554,654.90

As the Committee hope that the Dorchester and Milton, and South Shore Railroad Corporations, will pay the bonds guaranteed by this Company, they do not deduct those debts which have been called contingent.

Thus it appears that the Company has, after deducting its estimated liabilities, property to the amount of $1,554,654.90, which is represented by its Capital Stock of 19,650 shares.

It is impossible for your Committee, with the means of information they have, to prepare a statement which will present the situation of the property more fairly.

A prudent man judging from the past operations of the Road, would undoubtedly think that the value of the property was over estimated; and, on the other hand, one more sanguine might hope for a great increase of the business on the Road, and would, therefore, think the valuation far from extravagant.

The Committee's appraisal is not based so much upon past results of the working of the Road, as upon their hopes for the future increase of business, under a judicious management of the Company's property.

SURPLUS PROPERTY.

The Corporation owns real estate in Boston, of the value of $69,591.50, which is not wanted for the present use of the Road; yet, as it would be required upon

a large increase of business, or when it is deemed expedient to straighten that portion of the Road which is in the City, your Committee think it prudent for the Corporation to retain it; although but a small amount of revenue is derived therefrom. If the Road within the limits of the City is straightened, there will be land of considerable value which will be discarded as unnecessary for the use of the Road, and can be disposed of to defray the cost of such a change.

Besides the above, there is other surplus property, belonging to the Corporation, of great cost and value, from which little or no revenue is derived.

Under this head, the first subject to be mentioned is the Samoset House, or, as it is styled in the Treasurer's books, the "Plymouth Hotel."

This House was built under a vote of the Stockholders, which was passed upon the recommendation of a majority of the Board of Directors, and the sum of forty thousand dollars, in all, was appropriated at two Stockholders' meetings, for building and furnishing it.

But the cost has exceeded the appropriations, and we find the following amounts charged on account of the Hotel, in the Treasurer's books, viz.

For Land site, - - - - - - - -	$7,600.00
" Building and building materials, - - -	32,040.49
" Furniture, and furnishing goods, - - -	10,882.60
" Insurance, taxes, plan, and commission paid Willliam Thomas for purchasing furniture, - - -	1,001.60
	$51,524.69

The entire amount of $51,524.69, has been charged to Construction Account.

Many of the items comprising the above sums, which have been charged first to the Hotel and finally to Con-

struction, are amounts paid for perishable articles which may be necessary for domestic use and consumption, but would not be considered proper objects for investment.

Other charges have been carried to this account, for repairs on the buildings; loss on the Hotel business for the year; and for additions and improvements to the property, when with these additions and improvements from use and wear and other causes, the property was not of so great value as the amount already charged to it. So that Construction has been charged, on account of the Hotel, with sums which should have come out of the income of the Road instead of the Capital of the Company.

Those who are interested in this subject, are referred to the evidence of Messrs. Crocker, Thomas, Loud, and Hedge, who have served as members of the Committee on the Hotel.

There is other surplus property in real estate situated in Boston and on the line of the Road.

All the property which is considered unnecessary for the use of the Company, has been carefully inventoried and appraised. The labor of appraising the property has been of much trouble to the Committee, as there was no schedule or record of its real estate in the Company's offices, which could be relied upon.

The Committee find that the whole amount of surplus property on hand, which can be disposed of, without inconvenience to the Company, is valued at $135,354.82.

The inventory is not published; the Committee not deeming it advisable to give the items of the appraisement, as they recommend that the Directors be ordered to sell at public auction, before the first day of June next, all the surplus property belonging to the Com-

pany, including the Samoset House and its furniture, which is not wanted for the use of the Road; and that the privilege be given to the purchaser to pay for the same in the capital stock, or bonds of the Company, at their par value.

By such a disposition of this description of assets, every Stockholder will be equally benefitted—the owner of few or many shares; as the capital stock will be reduced by the appropriation of the useless and unprofitable surplus property, for the purchase of shares at their present low value in the market; and, moreover, an advantageous sale may be expected of the property, as there will be found many purchasers among those Stockholders who are desirous of changing their investment.

BRANCHES.

In considering the subject of the "profit or loss accruing from the gravel train, and the several Branches of the Road," your Committee have relied upon certified returns, which have been furnished to them by the Superintendent and Treasurer. As these returns have been prepared by those who have desired to represent the situation of the Company as favorably as possible, no one can suppose that the deductions made from these data, present its business in an aspect more unfavorable than the facts warrant.

In estimating the profit or loss belonging to each Branch, the receipts are divided between the Main Road and Branch in proportion to the distances.

A brief history of each Branch is submitted, agreeably to the wishes of the Stockholders.

ABINGTON AND BRIDGEWATER BRANCH.

On the 16th day of October, 1844, the Directors voted, " to choose a Committee to apply to the Legislature for authority to extend the Old Colony Railroad across the channel into the City of Boston proper, and to build a Branch from Abington to Bridgewater." A Committee of the Directors was chosen, at the same time, for that purpose.

At the annual meeting of the Stockholders on the 25th day of December, 1844, it was voted, " that this Corporation approves of the petition to the Legislature, prepared by the President and Directors, for authority to extend the Old Colony Railroad across the channel into the City of Boston proper, and for authority to build a Branch Railroad from Abington through East Bridgewater, to Bridgewater; and that they be requested to prosecute the said petition, and use their endeavors to obtain an Act, giving this Corporation the power and authority necessary to effect the purposes aforesaid."

At a meeting of the Board of Directors held on the 25th day of March, 1846, at Plymouth, at which meeting Messrs. Carruth, Crocker, Thomas, Hedge and Loud were present, it was voted to accept the Act obtained from the Legislature, authorizing this Corporation to build a Branch Railroad from Abington to Bridgewater; and it was also, voted, " that it is, in the opinion of this Board, for the interest of this Corporation forthwith to construct the said Branch Railroad, and that this measure be recommended to the Stockholders at a meeting to be called for the purpose of determining that question."

Accordingly a special meeting was held on the 9th of April, 1846, at which the Stockholders accepted the

Act, and the Directors were authorized "to proceed forthwith to construct said Branch Railroad, provided the land for the same can be obtained at a reasonable price, in the opinion of the Directors."

On the 25th of April, 1846, the Directors, voted, "that the President proceed forthwith to construct the Branch Railroad from Abington to Bridgewater, and make contracts for the same."

Mr. Carruth, the President, proceeded to contract for and build this Branch, and it was opened for travel in June, 1847.

In the Directors' report to the Stockholders for 1847, it was stated that the Branch, which "is 6 and 8-10ths miles in length," had been completed at a cost of $125,461.63.

Since the date of that report, an additional charge has been carried to Construction Account, for this Branch; and we find, in the Directors' report of 1849, its cost stated to be $129,098.87, exclusive of equipment; and its length 7¼ miles.

This statement of the cost does not correspond with that of the return made by the late Treasurer, Mr. Fletcher, to this Committee; the cost being returned by him at $125,065.59, exclusive of equipment.

The following table will show the result of running this Branch for one year, ending November 30th, 1849.

The receipts have been as follows;—

From Passengers, - - - - -	$3,418.74	
" Freight, - - - - -	1,591.64	
Amount carried forward,		5,010.38

Amount brought forward.		5,010.38

The expenses and charges are as follows;

23,424 miles run at 47, 852-1000 cents per mile,	11,208.85	
1 year's interest on $125,065.59, being cost of Road,	7,503.93	
1 year's interest on $14,225, being cost of equipment,	853.50	
Deterioration of equipment,	708.75	
Loss,		15,264.65
	$20,275.03	$20,275.03

It will be seen, that thus far, the loss from running this Branch, charging it with interest on the cost, and for deterioration of equipment, as estimated by the Superintendent, has been $15,264.65, or more than treble the amount of the gross receipts apportioned to it.

The gross receipts of the total joint business of this Branch in connection with the Main Road, are as follows;

From Passengers,	9,000.63
" Freight,	6,045.18
Amounting to	$15,045.81

Thus it appears that if the Old Colony Railroad Company should carry upon the Main Line, free of charge, all the Passengers and Freight coming to the Road in consequence of this Branch, that the total receipts would not be equal to the loss.

It appears most singular to your Committee, after inspecting this Branch Road, that it should have been built. No one is benefitted by it, except the inhabitants of East Bridgewater; and the Fall River Railroad runs

within 2½ miles of the principal village of that town, and within a mile of Joppa village.

The Directors declined taking advantage of the opportunity they had of building the Road between Braintree and Bridgewater; and when afterwards the Fall River Railroad Company had undertaken, and partially constructed this Road, then the Directors of the Old Colony Railroad Company thought it advisable to build the Abington and Bridgewater Branch, that they might obtain a part of the Bridgewater business, which a short time previously they could have controlled entirely.

The Directors had but barely commenced the construction of this Branch, when the Fall River Railroad, being very desirous that the Branch should not be built, offered to the Directors of the Old Colony Railroad Company a very advantageous proposition for a connection, if the Old Colony Railroad Company would discontinue building the Branch.

But this proposition was not accepted, and the Directors, on June 23rd, 1846, voted, not to accept any proposition from the Fall River Railroad Company, based upon the discontinuance of this Branch. At this time the Branch might have been discontinued at no greater loss than $5,000.

How the Directors could have acted so imprudently, if they had in view no other interests than those of the Corporation, it is impossible for us to imagine.

It has been said that the Directors at the Plymouth end of the Road especially countenanced this project. Mr. Carruth in his evidence defines his position in respect to the measure. No profit can ever be realised from running the Branch which will, in the opinion of your Committee, justify its continuance, as it has been

run. The Fall River Railroad has, till within a few weeks, run an express train from Bridgewater to Braintree, which has left Bridgewater at the same time with the train from Bridgewater on our Branch. This competition has existed since the Branch Road was opened, and it has been pursued to the great loss of both Companies.

Your Committee will not venture to prescribe the course which should be adopted in respect to the future management of this Branch, it being a subject of too much importance to be acted upon, without great deliberation on the part of those who have the ability to decide, and the power to act, to the best advantage.

Some arrangement ought to be made forthwith to relieve the Company, so far as is possible, from this great burthen. Your Committee commend the subject to the consideration of the future Board of Directors.

SOUTH SHORE RAILROAD.

At a meeting of the Board of Directors of the Old Colony Railroad Company, on the first day of September, 1847, propositions were received from the South Shore Railroad Company, in relation to its connection with the Old Colony Railroad, and it was voted to refer those propositions to Messrs. Thomas, Hedge, and Quincy. That Committee reported, on the following 22nd day of September, to the Directors, "that upon a full consideration of the importance of having the South Shore Railroad built without delay, and to prevent any disagreements, which might arise in running the same, they would recommend to the Directors of the Old Colony Railroad to take a lease of the South Shore Railroad

for five years at six *per cent.* upon its cost, with the right to renew the same for five years at seven *per cent.*"

The Directors voted to accept this report.

On the 29th day of September, 1847, the Committee reported a contract based upon their former report, and it was voted that the President and Clerk be authorized to execute the same. This contract was accordingly executed, and on the 3d day of October, 1847, it was ratified and confirmed by the Directors.

At the annual meeting of Stockholders in December, 1847, the Directors reported that they had made the contract, but no vote was passed by the Stockholders approving of it, further than that the annual report was accepted.

By the terms of the contract, it was provided that the lease should be from and after the day when W. Raymond Lee, Superintendent of the Boston and Providence Railroad, should certify in writing, under his hand, that the Road was finished, in good running order, ready for use.

There appears to have been no certificate of the completion of the South Shore Railroad from Mr. Lee.

On the 2d day of January, 1849, the Directors voted to run the South Shore Railroad, on the terms proposed by the Committee of the Directors of the South Shore Railroad Company, until the contract attached.

On the 21st day of March, 1849, it was voted that the lease of the South Shore Railroad be commenced on the first of April then next, on such terms as should be arranged by Messrs. Derby and Hedge, a Committee of the Old Colony Railroad Directors, with a Committee of the South Shore Railroad Company; and that said Committee have power, in behalf of the Old Colony Railroad, to execute a lease according to the contract,

and to agree, in behalf of the Old Colony Railroad Company, to finish the South Shore Railroad.

The Directors, on the the 22nd of September, 1848, "authorized the Treasurer to endorse or guarantee the bonds or notes of the South Shore Railroad Company, agreeably to the terms of the contract with that Company."

Under this vote the Treasurer guaranteed the bonds of the South Shore Railroad Company to the amount of $25,000.

On the 16th day of May, 1849, the Directors voted "that the President, with Messrs. Hayward and Hunnewell, be a Committee to see that a lease and mortgage of the South Shore Railroad be properly prepared and executed, and that when the same are delivered, the Treasurer of this Corporation be authorized to guarantee an additional amount of bonds for said Corporation, not exceeding $25,000."

On the 17th day of December, 1849, the Committee appointed to settle with the South Shore Railroad Company, reported that they found the cost of the Road on the 1st of October to be $362,700.74; several thousand dollars of which sum had been improperly charged as cost of the Road, on which interest or rent was demanded by the South Shore Railroad Company from the Old Colony Railroad Company.

After your Committee had been appointed, they discovered these facts; and, on inquiry, they found that no mortgage or security had been received for the guaranty which the Old Colony Railroad Company had given to the South Shore Railroad Company, on $25,000 of its bonds, and that the South Shore Railroad Company was deliberating upon the subject of executing a mortgage of its Road, to a large amount, for the

purpose of procuring money to liquidate its floating debt.

On the 17th of January, 1850, the Committee, on a settlement with the South Shore Railroad Company, reported to the Directors that they had been unable to obtain the security, agreeably to the contract; and it was voted that the Committee be instructed to use their utmost endeavors to adjust a settlement with the South Shore Railroad Company, and obtain the security for the bonds guaranteed, agreeably to the contract with that Company; with the liberty of notifying the South Shore Railroad Company that the Old Colony Railroad would consider the contract void.

That Committee proceeded to discharge its duties, and on the 20th day of February, 1850, reported that all the bonds guaranteed by the Old Colony Railroad Corporation, for the South Shore Railroad Corporation, had been cancelled, with the exception of $6,800; and that it was promised that the residue should be either cancelled or secured, on or before the first day of April then next.

The Committee are informed that the Company has now received, from the South Shore Railroad Corporation, the bond of indemnity of Mr. Josiah Quincy, Jr., in his individual capacity, on account of the guaranty of the outstanding bonds; with an assurance that eighteen hundred dollars of the amount shall be extinguished within a few weeks, and a mortgage of real estate be given, if desired, to secure the residue.

There never has been a settlement of accounts with the South Shore Railroad Company. Large sums of money are embraced in the account which that Company has presented, for extra interest; for cost of lands which are still retained by that Company, and are

not wanted for the use of its Road;—and interest is claimed on these sums, as belonging to the cost of the Road.

This lease has been, thus far, quite a burthen on our Company. The Road is very crooked, and the route seems to have been selected, without regard to the expense of construction, for the accommodation of a few individuals, and not for that of the public generally; consequently, our Corporation pays an excessive rent, it being the interest on the whole cost.

The Committee present the following account of the result of working the South Shore Railroad for eight months, from the first of April to November 30, 1849, or during the entire period the Road has been run under the contract.

The receipts are as follows:—

From Passengers, - - - - - - -	$12,804.03
" Freight, - - - - - - -	1,310.56
	$14,114.59

The expenses and charges are as follows:—

21,459 miles run at 66 cents per mile,	$14,162.94	
8 months' rent paid, - - - -	13,395.21	
8 months' interest on $26,350, being cost of equipment, - - - -	1,054.00	
Deterioration of equipment, - -	1,012.50	
Loss, - - - - -		15,510.06
	$29,624.65	$29,624.65

The expenses are more than double the receipts. The gross receipts are not equal to the mere running expenses.

The gross receipts of the entire joint business done by this Road, in connection with the Old Colony Railroad, are as follows:—

From Passengers, - - - - - -	$27,872.75
" Freight, - - - - - -	2,809.30
	$30,682.05

Thus it appears that the total gross receipts for business done on the Old Colony and South Shore Railroads, in connection, are but $1,057.40 over and above the expenses of running the South Shore Railroad alone, estimating all the business on the Old Colony Railroad to have been done gratuitously for this Branch.

DORCHESTER AND MILTON BRANCH RAILROAD.

At a meeting of the Directors of the Old Colony Railroad Company, on April 25th, 1846, Messrs. Quincy and Crocker were chosen a Committee to inquire into the expediency of building the Dorchester and Milton Branch Railroad. This Committee reported, by their Chairman, Mr. Quincy, on the 6th day of June, 1846, that from examination, they were of opinion that the Branch would ultimately be profitable; but that they thought it inexpedient to increase the capital of the Old Colony Railroad Company, for the purpose of constructing the Road.

At a meeting of the Directors, on the 23rd of November, 1846, Messrs. Crocker and Hedge were appointed a Committee to confer with the Committee of the Directors of this Branch, in respect to constructing and running the Road in connection with the Old Colony Railroad, after the Branch Road should be completed. This last named Committee made a report on the 5th day of December, 1846, which was laid on the table; and the Committee were instructed to submit to the Directors of the Dorchester and Milton Branch Road a proposition that the Dorchester and Milton Branch Railroad

Company should build the Road according to the route surveyed; the Old Colony Railroad Company to furnish cars and engines, and run the Road for the term of five years, in such manner as they should see fit; paying for the use of the Road six *per cent.* per annum on its cost, with the right of purchasing the Road, at cost, on the termination of the lease.

At the annual meeting of the Stockholders of the Old Colony Railroad Corporation, on the 30th day of December, 1846, it was voted, "that the subject of the assignment of the rights, property and franchise of the Dorchester and Milton Branch Railroad Corporation, to this Corporation, and also the subject of hiring said Dorchester and Milton Branch Railroad, and all other matters pertaining to the connection of said two Corporations, be, and hereby are, referred to the President and Directors of this Corporation, with full authority to them to act in the premises; and to make such contract, or contracts, on behalf of this Corporation, relating to such connection, as the said President and Directors may deem proper; and said President and Directors are hereby fully authorized, in the name and on behalf of this Corporation, to apply to the Legislature of this Commonwealth for such further authority to act in the premises as the subject matter of said connection may seem to require."

At a meeting of the Directors of the Old Colony Railroad Corporation on the 25th day of October, 1847, the whole Board was present; and it was voted, "that the President, with Messrs. Crocker and Hedge, be a Committee, with full power to negotiate for a lease of the Dorchester and Milton Branch Railroad at their discretion, for a term not exceeding five years, with the right to purchase the same at its cost, at the expiration of said term."

At a special meeting of the Directors, held on the 29th day of November, 1847, the whole Board being present, the Committee appointed to negotiate with the Dorchester and Milton Branch Railroad Company, for a lease of the same, reported that they had agreed with the said Corporation, on the terms expressed in the indenture, (a copy of which will be found in the Appendix, page 143,) and the Directors thereupon voted, "that the same be ratified and approved, and signed in behalf of the Corporation, by the President thereof, and the seal of the Corporation affixed."

Under the contract referred to, the Old Colony Railroad Corporation commenced running its cars upon the Branch on December 1st, 1847; and since that time, this Corporation has paid, as rent, six *per cent.* on the cost of the Road.

The Dorchester and Milton Branch Railroad Company found it difficult to raise funds to pay its debts upon the name of that Corporation alone, and its Directors urged upon the Directors of the Old Colony Railroad Corporation, as will appear by the evidence appended hereto, the necessity of their obtaining assistance from our Company. Accordingly the Directors, on the 28th of February, 1848, voted—

"That the Treasurer be authorized, in the name of this Corporation, to endorse or guarantee the bonds of the Dorchester and Milton Branch Railroad Company, to an amount not exceeding $30,000, bearing interest at six *per cent.*,—with this condition: that if this Corporation shall purchase said Branch Railroad, it shall have the privilege of paying these bonds either in cash or in stock, at its election."

On the first of May, 1848, the Directors at a full meeting, voted—

"That so much of the vote, passed on the 28th day of February last, relating to the endorsement or guaranty of the bonds of the Dorchester and Milton Branch Railroad Company, as follows the words "six *per cent.*" be, and the same is, hereby cancelled and annulled—the same having been inserted in said vote by inadvertance and mistake; and that the absolute guaranty which has been printed on the back of said bonds, and signed by the Treasurer of this Corporation, be, and hereby is, made and declared binding upon this Corporation, and is fully and entirely ratified and confirmed."

It is a matter of regret that the Directors of the Old Colony Railroad should have taken a lease of this Branch, containing, as it does, provisions most onerous upon the Old Colony Railroad Corporation. The Road was most expensively built, costing at least one third more than would have been the case if it had been, during its construction, under prudent management. It has been, and is now, burthened with liabilities for unsettled land damages, which are sources of vexation and expense to the Old Colony Railroad Company, the interest on the expenses accruing from these claims, being ultimately, as it is agreed, to be borne by the Old Colony Railroad.

By the terms of the lease, also, our Corporation is obliged to run trains over the whole line eight times every day, four times each way, and is to assume all risk of accidents or injuries to person and property.

In estimating the profit or loss on account of this Branch, your Committee charge to the Main Line of the Old Colony Railroad the expense of running on the Main Line between Boston and Neponset, although our Company does not require the Dorchester and Milton trains for its business, as this could be done, as we are

informed by the officers of the Road, equally as well by altering the hours of the trains which run from Boston beyond Neponset, on the Main Road.

The following table has been prepared from statistics furnished to the Committee by the Superintendent, showing the result of the business on this Branch for the year ending November 30, 1849.

The receipts on the Branch have been as follows:—

From Passengers, - - - - - - - -	$4,204.57
" Freight, - - - - - - - -	413.81
	$4,618.38

The expenses and charges have been as follows:—

12,207 miles run at $59\frac{374}{1000}$ cents per mile,	7,247.78	
One year's rent on cost of Road, - -	7,310.00	
" " interest on $14,025, cost of equipment, - - - - - - - -	841.50	
Deterioration of equipment for one year, -	753.75	
Loss, - - - - - - - - -		11,534.65
	$16,153.03	$16,153.03

The loss by running this Branch, therefore, appears, under the most favorable construction, to have been nearly treble the gross receipts belonging to the Branch. The rent paid is almost double the annual receipts.

The gross receipts for the entire joint business done by this Branch, in connection with the Old Colony Railroad, are as follows:—

From Passengers, - - - - - - - -	$12,863.07
" Freight, - - - - - - - -	1,173.47
	$14,036.54

It appears, moreover, that the total gross receipts from business done by the Dorchester and Milton

Branch on the entire Road between Boston and the terminus of the Branch Road at Milton Upper Mills, are not equal to the expenses of running the Branch Road and the rent paid, exclusive of the deterioration and interest on the cost of the equipment.

It should be remarked that, as we assume all the risks of accidents, we are liable to lose the gross receipts of an entire year's business, derived from this Branch, by an accident happening to a single individual.

It is impossible to estimate the extent of risk; yet this is a proper subject for consideration in calculating the disadvantages of the Road.

It seems impossible to your Committee that the Directors, in the intelligent performance of their trust, could have imposed upon us the burthen of this Branch, under a lease so severe in its provisions. We have felt that this lease was fixed upon this Corporation either by gross carelessness on the part of the Directors, or through fraud. It has seemed proper to institute an examination in regard to the origin of this lease, and we have made some inquiries on the subject—the result of which we herewith give to the Stockholders.

Mr. Nathan Carruth, as President of the Old Colony Railroad, executed, in behalf of the Company, the lease of the Dorchester and Milton Branch Railroad. Messrs. Crocker and Hedge were, as has been noticed, of the Committee on the lease. It will be observed that this Committee had no authority to negotiate for the lease, for a term exceeding five years, with the right to purchase the Branch Road at its cost, at the expiration of that time; whereas, though it is stated in the first part of the lease that it is for five years, at the end it is provided that if the lease be not terminated by the purchase of the franchise and property within the five

years, " this contract shall be and continue in full force for the further time of five years then next ensuing, if, at the expiration of the first five, the party of the first part [i. e. the Dorchester and Milton Branch Railroad Company] shall, in writing, signify such to be their wish."

This provision is remarkable on the face of it. It is not usual for the lessor to have the option of renewing a lease at the expiration of a term of years; this privilege is sometimes accorded to the lessee, but very rarely, if ever, to the lessor. Your Committee never before heard of such an instance.

No allusion is made to the provision in respect to the renewal of this lease in the Directors' report to the Stockholders in 1847. The words of the report on this subject are as follows: "The views above expressed influenced the Directors to take a lease of the Dorchester and Milton Branch Railroad, now nearly completed by that Corporation, and a contract has been entered into with the Directors of that Road for a lease of the same *for the term of five years*, at an annual rent of six *per cent.* on its cost, payable semi-annually, with the right to purchase the same at any time within said *term of five years*, at its cost, payable in stock of the Old Colony Road, at its par value."

Mr. Carruth was very much interested in having the Dorchester and Milton Branch Railroad built, and seems to have solicited parties to become subscribers for its stock, offering them inducements which he had it in his power to offer, in consequence of his position as the President of the Old Colony Railroad, and Treasurer of the Northern Railroad. By referring to the evidence of Mr. Bradley, and of Hinkley & Drury, (page 137 of the Appendix,) it will appear that they

confirm this statement; though Mr. Carruth, in his answer to Interrogatory 20, (page 89 of the Appendix,) denies that he ever offered any inducement of the kind.

By referring to the answer of Mr. Hedge, to Interrogatory 85, (page 73 of the Appendix,) and to Mr. Crocker's answer to the 64th Interrogatory, (page 60 of the Appendix) both of these gentlemen being on the Committee with the President to make the lease, it appears that they did not know that the option was given to the Dorchester and Milton Branch Railroad Company to renew the lease for five additional years. Mr. Thomas, then a Director, likewise did not understand that the lease was for more than five years. (See Mr. Thomas's evidence in answer to Interrogatory 3, page 100 of the Appendix.) By Mr. Sever's answer to Interrogatory 29, (page 64 of the Appendix,) it will be observed that he emphatically says, "My impression is, that, at the time the contract was read to the Directors, before it was signed, it was read exactly the reverse, in respect to giving the Dorchester and Milton Railroad the option to renew the lease.

"I should be willing to swear, that it was read—that the Old Colony Railroad should have the option of renewing the lease, instead of the Dorchester and Milton Railroad. Mr. Carruth submitted the lease, and he was authorized to execute it, on behalf of the Old Colony Railroad Corporation. And I never knew that it was otherwise, until within a month."

The Committee cannot, without extending this report beyond the limits which they have prescribed to themselves, comment upon the evidence. They recommend the attention of the Stockholders to the several statements submitted to them, with the observation that these transactions show a censurable negligence on the

part of the Directors, and particularly on the part of a majority of the Committee which made the lease, in not examining the provisions of so important an instrument, and one that has proved so disastrous in the result to this Corporation. If the Directors were deceived in respect to the provisions of the lease, it is remarkable that it should have been upon their records for so long a time, without their discovering its terms until their attention was called to them by your Committee.

No examination had been made of the accounts which the Dorchester and Milton Railroad Company have, from time to time, presented to the Old Colony Railroad Corporation, till they were examined by your Committee;—though the rent has been paid on accounts sent in by that Company, as well as upon estimates of the cost of the Road. These accounts contain items which clearly should not be reckoned as properly chargeable to the cost of the Road; yet we have been paying the interest on these items without the least scrutiny or examination.

As if the Directors had not sufficiently shown their fondness for this Branch, we find that they gave an unconditional guaranty of its bonds to the amount of $30,000. They required no security for the guaranty at the time it was given, and afterwards, when the Dorchester and Milton Branch Railroad Company found it advisable to mortgage that Road, for the purpose of borrowing money to pay its debts, no security was given for the guaranty, because, as Mr. Carruth, now a Director of the Dorchester and Milton Branch Railroad Company, says, in his answer to the 23rd Interrogatory, (page 90 of the Appendix) "They were under no obligation to include the bonds of the Old Colony Railroad,

and we thought it would hurt the sale of the bonds of the Road."

So that, at the present time, we are not only oppressed by the lease, but by this additional liability, which in a short period we shall be obliged to discharge, if there is not a great increase in the amount of the business of this Branch. That we shall derive any remuneration for the risks we have assumed is very doubtful, if it be not hopeless.

FALL RIVER RAILROAD.

The present contract between the Old Colony Railroad Corporation and the Fall River Railroad Company, a copy of which will be found in the Appendix, page 145, was made by the late President, Mr. Carruth, and Mr. Crocker, as a Committee of the Directors of the Old Colony Railroad Corporation, and was ratified by the Directors on the 29th of November, 1847.

As will be seen in Mr. Derby's evidence, this contract "has proved very oppressive" to the Old Colony Railroad Corporation, in requiring it to raise large sums of money for constructing a second track, and building a freight depot for the exclusive use of the Fall River Railroad, and for enlarging our passenger depot. Most evident it is that "the pen was not held by the Old Colony Railroad Corporation" when this contract was drawn.—(See Mr. Derby's answer to Int. 82, in the Appendix, page 31.)

The result, however, has not proved so disastrous as that of the connection with the Dorchester and Milton Branch, and South Shore Railroads.

The following is an exhibit of the result of our business connection with the Fall River Railroad Corporation, for one year, ending November 30, 1849.

The receipts have been as follows:—

From Passengers, - - - - - - - - -	$35,480.39
" Freight, - - - - - - - - - -	14,794.94
	$50,275.33

The expenses and charges have been as follows:—

21,597 miles run by the Passenger Trains, at $67\frac{986}{1000}$ cents per mile, - - - - -	$14,682.94	
7,199 miles run by the Freight Train, at $77\frac{942}{1000}$ cents per mile, - - - - -	5,611.03	
One year's interest on $37,884.38, proportion of cost of passenger depot in Boston,	2,273.06	
One year's interest on $68,162.83, cost of freight depot, for the exclusive use of the Fall River Railroad, - - - - -	4,089.77	
Interest on $54,145.60, being 30 per cent. of the cost of the second track, - - -	3,248.73	
Interest on $21,000, cost of motive power,	1,260.00	
Deterioration of motive power, - - - -	1,050.00	
" of track, - - - - - -	1,518.00	
Profit, - - - - - - - - - - -	16,541.80	
		$50,275.33

In the above statement we have apportioned to the Fall River Railroad what is deemed by our Superintendent, and by us, within the proper amounts chargeable to that Road.

By the contract it is provided, as indispensable prerequisites, that the Old Colony Railroad Corporation should construct an additional track upon its Road-bed, and that it should erect in Boston a new freight depot building, for the exclusive use of the Fall River Railroad Company. It became necessary, also, to enlarge the passenger depot for the accommodation of the Fall River Railroad business; and, therefore, that business is properly chargeable with interest on the cost of what is fairly apportionable to it, as well as with depreciation of track and motive power.

No allowance is made in the above statement for the use of our Road, other than the very small charge of interest on 30 *per cent.* of the cost of the second track. Neither is there any allowance made for insurance against risks, which we incur to a serious extent in transporting all the passengers who are carried upon our Road by the Fall River Railroad Company, in connection with Steam Boat, and other Railroad, lines.

GRAVEL BUSINESS.

This business was commenced in September, 1848, under a contract with Mr. William Evans to haul his gravel trains from Mount Hope, in Quincy, to Boston; the Old Colony Railroad Company supplying the gravel, and furnishing two switchmen, an engine and attendants, and the rails and branch to Mount Hope.

Late in the autumn of 1848, Mr. Evans found it impracticable to shovel the gravel at Mount Hope, on account of the hard pan and boulders which he encountered, and early in the winter he was compelled to discharge his force at that place.*

Subsequently he made an arrangement with the Company, under which he is now engaged in hauling his gravel from a tract of land situated in Quincy, of which the Company has taken a lease, with the privilege of removing gravel from it, under certain restrictions, for

*The Committee received, on the 2nd of April, instant, a letter from S. Dwight Eaton, Engineer of the Old Colony Railroad, correcting the statement in the Directors' report of 1849, that the Mount Hope Farm "was selected by Mr. Evans *and the Engineer* and Superintendent of the Company." Mr. Eaton writes, —"As Engineer, I would state that I never stepped foot upon the ground, until I was called there to receive directions for surveying the same, and never knew of the project until I was told that Mr. Evans and officers of this Corporation had examined the premises. And, furthermore, I advised at the time, that wells be excavated, to determine beyond doubt the character of the hill."

The Company would undoubtedly have saved this purchase, if it had followed the advice of its Engineer.

the term of seven years, from June 30th, 1849; at the expiration of this term the land reverting to the lessors.

It is to be hoped that no accident will happen to prevent Mr. Evans from fulfilling his contract. It would be disastrous to the Company should it be obliged to assume Mount Hope, since, from the proximity of N. Ward & Co.'s extensive piggery, the land is almost valueless for building purposes, or for most mechanical pursuits.

The Committee are satisfied that the Gravel has been a losing business to the Corporation, and that it must continue to be so, unless it is prosecuted by Mr. Evans with more energy than it has heretofore been. The immense engines which are used in hauling the long gravel trains, are crushing the iron to an alarming extent. The rail of our track being very light, (but 56 lbs. to the yard) and the iron on the second track being of inferior quality, it cannot withstand the severe pressure of these heavy trains, or the force of the driving wheels on the large engines. We hope that the largest engines, the DORCHESTER and the PLYMOUTH, will be removed from our Road as soon as practicable, and smaller ones substituted.

The following table, prepared from data furnished by the Superintendent to the Committee, shows the result of the Gravel business for the nine months ending Nov. 30th, 1849, succeeding the abandonment of Mount Hope by Mr. Evans.

The receipts have been as follows:—

From Gravel - - - - - - - - -	$15,819.14
" City Offal, for N. Ward & Co.'s piggery, $1\frac{2}{3}$ months, - - - - - -	500.00
	$16,319.14

The expenses and charges have been as follows:—

14,594 miles run, at $67\frac{184}{1000}$ cents per mile,	$9,804.86	
Five months' interest on $12,068.49, cost of Taylor pit	301.71	
Nine months' interest on $19,000, cost of Gravel equipment,	855.00	
Deterioration of Gravel equipment,	510.00	
Insurance against accidents	800.00	
Three months' interest on $2,228.45, cost of road bed to Taylor pit	33.42	
Nine months' interest on $9,022.14, cost of 2 miles iron,	405.99	
Deterioration of 2 miles of iron for nine months,	225.56	
" of Main track,	1,000.00	
" of Granite Branch,	120.72	
One year's interest on $6,996.51, cost of Granite Branch,	419.79	
Loss on the Granite Branch, Mount Hope Estate, and Grading to the Taylor pit, for the Gravel business of 1849, per Superintendent's estimate,	438.37	
Profit,	1,403.72	
		$16,319.14

In the above account there has not been sufficient allowance made, in the opinion of the Committee, for the depreciation of iron; nor do the Committee think that enough has been carried to the Gravel Account for the expenses of the motive power. It will be seen by Mr. Derby's answers to Interrogatories 115 and 116, (page 37 of the Appendix) that he thinks 8 to 10 *per cent.* of the whole cost of the Road repairs should be charged to the Gravel business. This estimate, at the lowest per centage, amounts to several hundred dollars more than that of the Superintendent.

It is our opinion that Mr. Derby's estimate is not sufficiently large to cover the annual depreciation.

No one can examine the track, and fail of being impressed with the rapid deterioration of the iron during the last year.

ICE AND GRANITE.

From the nature of the Ice business, no calculation can be made of its extent from one year to another. As the climate is much milder in the region of Plymouth than in the interior country, this business cannot be done at a profit, unless the winter is of continued severity. Up to the present time, no profit has been realised therefrom.

The Granite business, as it has been managed, has resulted in a loss to the Company; and we think, with our present wharf and depot accommodations, it is unwise to prosecute it.

We refer to the evidence of Mr. William J. Merriam, the Freight Agent in Boston, as giving the most reliable information we can offer, upon these subjects.

As these branches of freight business have been prosecuted only to a limited extent, it is not deemed advisable to give a tabular statement of the losses which have accrued therefrom.

SUMMARY OF THE PAST YEAR'S BUSINESS.

Having given to the Stockholders, in the foregoing pages, our views in respect to the collateral business of this Company, as separate from that of the Main Line, it seems proper to present a summary of all the earnings and expenses of the Old Colony Railroad, including the Dorchester and Milton Branch Railroad, the Abington and Bridgewater Branch, and the proportion of the Fall River Railroad receipts belonging to the Old Colony Railroad Company, for one year ending

November 30, 1849, the South Shore Railroad for eleven months, being the whole period for which the Old Colony Railroad has been connected with the South Shore Road, and the Gravel train for nine months, i. e. since Mr. Evans recommenced the Gravel business, after leaving Mount Hope.

This statement has been prepared from the returns furnished to the Committee by the Superintendent. The estimated running expenses, and the receipts, will be found in tables H and I, pages 162 and 163 of the Appendix.

Earnings and Expenses of the business done by the Old Colony Railroad, for the year ending November 30, 1849.

Receipts from passengers, - - -	184,669.50	
" general freight, - -	55,632.23	
" gravel, - -	16,282.71	
" mails, rents and sundries,	18,482.14	
		$275,066.58

EXPENSES AND CHARGES.

Main Road—		
91,248 miles run by the passenger train, at 72 cts. per mile,	65,698.56	
27,326 run by the freight train, at 1.00 per mile, - -	27,326.00	
Deterioration of track, -	6,986.00	
Deterioration of equipment,	4,016.52	104,027.08
Fall River Railroad—		
21,597 miles run by the passenger train, at $67\frac{986}{1000}$,	14,682.94	
7,199 miles run by the freight train, at $77\frac{942}{1000}$,	5,611.03	
Deterioration of track, -	1,518.00	
" equipment,	1,050.00	22,861.97
Amount carried forward,	$126,889.05	$275,066.58

Amount brought forward,		$126,889.05	$275,066.58
Dorchester & Milton Branch—			
12,207 miles run, at $59\frac{374}{1000}$ cts.	7,247.78		
Deterioration of equipment,	753.75		
One year's rent, to Nov. 30, 1849,	7,310.00	15,311.53	
Abington & Bridgewater Branch—			
23,424 miles run, at $47\frac{852}{1000}$,	11,208.85		
Deterioration of equipment, -	708.75	11,917.60	
South Shore Railroad—			
26,082 miles run, at 66 cents,	17,214.12		
Deterioration of equipment,	1,012.50		
Three months' rent, to March 31, 1849, - - -	1,572.03		
Eight months' rent, to Nov. 30, 1849, - - -	13,395.21	33,193.86	
Evans's Gravel Train—			
14,594 miles run, at $67\frac{184}{1000}$,	9,804.86		
Deterioration of track, -	1,000.00		
" equipment,	510.00		
" Granite Branch,	120.72		
" two miles iron, loaned Evans, - - -	225.56	11,661.14	
Old Colony Gravel Train—			
11,240 miles run, at $76\frac{900}{1000}$,		8,643.56	
			$207,616.74
Profit, - - - - -			$67,449.84

It will appear from this account, that the sum of $67,449.84 remains, after charging the Road with the running expenses, deterioration, and rent paid to the Branches. There are other items to be deducted before the result of the business of the Company for the past year can be exhibited; which, as taken from the Directors' last report and other sources, will appear in detail in the following statement.

Profit brought forward,		$67,449.84
Deduct the following items, according to the Directors' report:		
Interest and extra interest on floating debt, due from Nov. 30, 1848 till Jan. 20, 1849, when the debt was funded, - - - - - - -	18,014.93	
Interest on New Stock, Jan. 20 to July 1, 1849, - - - - - - -	2,975.02	
Interest on Bonds, Jan. 20 to July 1, 1849,	6,476.26	
Interest accrued on Bonds, July 1 to Dec. 1, due Jan. 1, 1850, - - - -	8,220.00	
Interest on temporary Loans, Jan. 20, 1849, to Nov. 30, 1849, balance,	2,570.64	
		38,256.85
		$29,192.99
The Committee deduct amount paid for damages for fire at Neponset, which was first charged to Expense, then transferred to Construction, and is now carried back to Expense Account, where it belongs,	8,025.00	
Ascertained Debts, due Nov. 30, 1849, which were not referred to in Directors' report for that year, -	14,328.18	
Deduct amount of Debts, belonging to 1848, not referred to in Directors' report for 1848, but which were paid in 1849,	9,035.22	
	5,292 96	
		13,317.96
Remainder, - - - - - - -		$15,875.03
The deterioration of Road-bed, &c. is estimated by Mr. Parrott to be	$16,013.00	
The deterioration of Road-bed for the past year, by Superintendent's return, amounts to	9,850.28	
Difference carried forward, - - - -		6,162.72

Brought forward,		$6,162.72
The deterioration of equipment is estimated by Messrs. Griggs & Andrews to be	25,518.00	
Deterioration for last year, estimated by Superintendent, - - - -	8,051.52	
Difference, - - - -		17,466.48
Total difference, - - -		$23,629.20

It is to be observed that this difference of deterioration, $23,629.20, is not wholly applicable to 1849. It belongs to the whole time the Road has been opened. The principal part, however, belongs to the section nearest Boston, and has been occasioned mainly by the gravel trains, which had run but two and a half months before the 30th of November, 1848; the South Shore Railroad trains, which commenced running January 2nd, 1849; and the Dorchester and Milton Branch trains which have run since December 1st, 1847.

As nearly as your Committee can estimate, the Superintendent should have charged at least $8,000 more for depreciation of Road and equipment, than he has done for the year 1849,—if reliance is to be placed upon the estimate for depreciation of Road-bed, &c. by Mr. Parrott, and upon the appraisement of motive power by Messrs. Griggs and Andrews; and the Committee have confidence in their correctness.

If then from the remainder on page 51, - - - -	15,875.03
we deduct the amount of the Superintendent's under-estimate for deterioration in 1849, - - - -	8,000.00
there remains the sum of - - - - -	$7,875.03

There have been casualties on the Road during the past year, and sundry claims for damages have been presented, the amount of which when liquidated must

eventually come out of Income. These sums are included in the contested claims, which are estimated at $35,000; a large portion of which must be deducted from Income.

If the damages occasioned by accidents for the year 1849 had been settled in that year, Income would be reduced by the amount paid therefor; but as these damages were not settled, we do not, according to Railroad usage, deduct any sum on account of the casualties which have happened during the past year; particularly, as we have made a deduction of $8,025, for amount paid in the past year for an accident which happened in the previous year, by fire at Neponset.

If, however, it should be said that the last named sum has been improperly taken from Income, an equivalent amount may be deducted as a small estimate of the amount of contested and unsettled claims, applicable to the year 1849, which have not previously been taken into account; and which should be deducted from the income of 1849.

Your Committee regret to state it to be their opinion that no profit has accrued to the Company from the business of the past year. They have, in the foregoing estimates, made, with the approbation of the Superintendent, an allowance for deterioration of track and equipment, and charged it among the expenses of the Company.

Your Committee think it is a great mistake, to make no allowance for depreciation in managing the property which is deteriorating by use. A sufficient amount, moreover, should annually be deducted from Income, and laid aside to provide for a large expenditure which may be necessary at some future day, on account of a change in the fashion of building cars and engines; or to meet

some other contingency which undoubtedly must arise in the management of a Railroad.

It is to be remarked that Income should rightfully bear the total amount of deterioration, as well as all charges which have been improperly carried to Construction. But this could not be done without appropriating therefor the earnings of future years. What shall be done, in this respect, must be left to the future Directors. It is enough for your Committee to disclose to the Stockholders the situation of their property, and the Stockholders themselves must select competent persons to manage it.

DIVIDENDS.

The question now arises from what sources the dividends which have been declared and paid, as the earnings of the years 1847 and 1848, were derived; and the Committee are satisfied that these dividends were paid out of the Capital of the Company. The dividends of 1847 were paid, undoubtedly, under the belief that they had been earned; but the Directors of 1848, if they had scrutinized the accounts of the Company, must have discovered that no dividend could have been paid out of the earnings of that year, and that what was paid, must have been taken from the Capital.

The last dividend which the Company made, was $48,393, or three *per cent.* on the capital, and was payable on the 22nd day of January, 1849. But there were no funds in the Treasury, to pay this dividend, although the Directors, in the report of 1848, made the most flattering statements in regard to the situation of the Road.

Nothing was to be done but to create new stock and bonds, to provide means for paying the dividend; and, accordingly, on the 9th day of January, 1849, the Directors created 3,200 shares of additional stock at $75

per share, and $320,000 of bonds, at ninety cents on the dollar,—payable in instalments, the first instalment on both stock and bonds being payable on the same day the dividend was to be paid.

The dividend was thus provided for, and actually paid out of the Capital Stock of the Company.

EXTRA INTEREST.

The amount of extra interest, which has been actually paid by the Company on notes and memorandum checks, from November 30th, 1847, to October 5th, 1849, above the legal interest, was $38,047.87, which is at the average rate of 1 3-10ths *per cent.* per month, or 15 6-10ths *per cent.* per annum, on the sum borrowed. If stock had been created when it was first required to pay the debts of the Company, the shares would have been readily taken at par, and the payment of extra interest saved.

RESERVED FUND.

In the report of the Directors to the Stockholders in 1848, it was stated that there was a surplus not divided, of $14,141.59, of which "$8,000 is carried to Reserved Fund, and the remainder to Interest Account."

There neither was, nor is there now, any entry on the books of the Company, corresponding to this statement.

There are four different items, which were entered in the leger to the credit of Reserved Fund, between February and December, 1849, the aggregate of which is $7,408.28; but the statement contained in the report to the Stockholders of 1849, that "the balance of Income for 1848, being Reserved Fund was $8,000, less excess of interest to Dorchester and Milton Road $591.72, over the estimate of last year, $7,408.28," is not founded upon any entries in the books of the Company.

This Reserved Fund is of no value; it could not be relied upon to pay one dollar of the Company's liabilities.

It was made up of cross entries for the purpose of swelling the credit of Income, applicable to dividends,—and to represent the Company as being in a more prosperous situation than it really was.

Your Committee have discovered, from returns which have been made to them, that on the first day of December, 1848, when it was stated that the Company had a Reserved Fund, there was the sum of $9,035.22 of bills due from the Corporation, but not rendered or included in the report of 1848. These bills, or most of them, have been paid during the past year.

And on the 30th day of November, 1849, there were outstanding liabilities against the Company, which were not mentioned or alluded to in the Directors' report, to the amount of $12,966.09, of which not more than $4,991.28, (according to the statement of the late Treasurer) should be charged to Construction Account.

How can it be said that there is a Reserved Fund, when an amount of debt, properly charged to Income, larger than the alleged Reserved Fund, is not deducted from the Income, or taken into account?

We hope there is some mistake in the statement of the President, that the Reserved Funds of most Railroads are similar to ours, consisting "of cash items absorbed by Construction, and due therefrom to Income Account." (See Mr. Derby's evidence, page 23 of the Appendix, in answer to Int. 47.)

It must be borne in mind that the Construction Account of the Old Colony Railroad Company, has been for years past altogether overburdened by charges which have been improperly carried to it; and that, if other entries were originally correct, the depreciation of

certain portions of the property, has been so great, that no prudent man, if he were in the place of the Old Colony Railroad Company, could safely estimate the property to be worth, within several hundred thousand dollars, the cost already charged to it in Construction Account.

OVER-ISSUE OF STOCK.

The Directors, on the 5th day of October, 1846, increased the Capital Stock of the Old Colony Railroad Company by creating 2,500 new shares, thus making the whole Capital Stock 15,000 shares; and it was ordered that the 2,500 new shares, thus created, should be used by the Treasurer, as collateral to the notes of the Corporation, and not otherwise, without a special vote of the Board.

On the 30th day of December, 1846, Messrs. Quincy and Crocker were chosen as the Finance Committee for the ensuing year, and Mr. George N. Fletcher was chosen Treasurer.

On the 6th day of February, 1847, Mr. Quincy offered to conduct the financial affairs of the Corporation, as Chairman of the Committee on Finance, for a salary of $1000; and on the same day it was ordered, "that all notes signed by the Treasurer, and countersigned by the Chairman of the Committee of Finance, shall be binding on this Corporation, and none other."

By the Treasurer's return, (table C, page 154 of the Appendix,) it appears that the following number of shares had been issued as collateral at the several dates specified;—

September 30, 1847, 2968;—November 30, 1847, 3822;—December 31, 1847, 4569;—January 31, 1848,

4155;—February 29, 1848, 3386;—March 31, 1848, 3521;—April 30, 1848, 3150;—May 31, 1848, 3275.

On the 31st of December, 1847, when there was the largest issue of stock as collateral, there were, as it will be seen, 2069 shares issued, more than had been created for the purpose of collateral security.

The Committee find that at this time the Capital Stock of the Company was represented by 15,000 shares, of which 499 had not been issued to Stockholders, besides the 2500 created for collateral.

Allowing that the Finance Committee were authorized to pledge these 499 shares, in addition to the 2500, which were created for the purpose of collateral, it is found that the balance of the shares, being 1570, was issued as follows;—

The Globe Bank held 570 shares to secure a note of $30,000, $25,000 of which had been paid. Deducting this number, there was an over-issue of 1000 shares.

Of these 1000 shares, there were issued to Josiah Quincy, Jr., as collateral for notes payable to him personally, and approved by him, as Chairman of the Finance Committee, 648; to I. N. Stoddard, Cashier, to secure a note of $10,000, approved by J. Quincy, Jr., as Chairman of the Committee of Finance, 112; to N. Carruth, Treasurer, as collateral for a note, approved by Uriel Crocker (who succeeded Mr. Quincy as Chairman of Committee of Finance,) 240.

Thus it appears, that stock to a large amount, was issued as collateral security, beyond what was created by the Directors, from September, 1847, to June 1848, while Messrs. Quincy and Crocker were on the Finance Committee. Both of these gentlemen, as well as the Treasurer, state that they did not know or hear of such over-issue, till it was discovered by your Committee.

In answer to an interrogatory proposed in writing to Mr. G. N. Fletcher, since he was examined on February 11th, in respect to the amount of this over-issue of stock, the Committee received the following written statement;—"No over-issue was ever made except for collateral, which took place in September, 1847, and continued to May, 1848, inclusive. The greatest over-issue was for 1570 shares, on the 31st of December, 1847. These issues were made under the direction of the Chairman of the Finance Committee, and during the time it did not occur to me that there was any over-issue."

By the stock leger, as well as by Mr. Fletcher's evidence, it appears that Mr. Fletcher likewise issued certificates of stock, when he did not own the number of shares which he sold; and it appears by the books, that these over-issues very frequently occurred, at different times during the years 1847, 1848, and 1849. It appears, also, by Mr. Fletcher's evidence, in answer to the 84th interrogatory, (on page 9 of the Appendix,) that the stock leger does not show the number of shares which were thus over-issued for his private benefit.

The Committee make no comments upon these statements. All must see that serious losses might occur to a Company, under so loose a management of its business.

The President has always signed blank certificates of shares, and trusted to the honesty of the Treasurer in respect to their issue. No check whatsoever has existed against the Treasurer's issuing certificates of shares to an unlimited extent. It seems to the Committee necessary that a record of the transfer and issue of shares should be kept by both officers of the Company, who sign the certificates.

CONTRACTS FOR FUEL AND EQUIPMENT.

Agreeably to the wishes of the Stockholders, the attention of the Committee has been directed to the manner in which fuel has been purchased for the use of the Company.

Soon after the Road was opened, Mr. Hedge was requested by the Directors to purchase wood at Plymouth; and, in his answer to the 5th interrogatory, he states that he has bought more than ten thousand cords for the Company. A part of this wood, it appears, he bought of himself, but at the same rate he was paying others for a similar quality. (See Mr. Hedge's answer to interrogatory 7, page 65 of the Appendix.)

As the practice of an agent making purchases of himself is very objectionable, your Committee deemed it proper to investigate Mr. Hedge's dealings with the Company, and have used their best endeavors to obtain all the facts, for the purpose of forming a correct judgment upon the matter.

They were satisfied, upon investigation, that the wood which had been bought at Plymouth, during the past year and formerly, was generally of inferior quality, and badly measured; a large part of it being small, round wood, and all measured in the cart; instead of being cleft wood, ranged and measured on the ground, the crooked and other refuse having been first discarded.

A very considerable loss has undoubtedly resulted to the Company from these purchases; though the amount is but a small part of what has been sacrificed, during the last two years, through general mismanagement.

Whatever share of blame may belong to Mr. Hedge, on account of the imprudent conduct of the Company's affairs, your Committee, nevertheless, wish to express their

confidence that he has acted disinterestedly in all his dealings with the Corporation.

Some wood, also, was bought, at different times, by Mr. Sever; and the Committee see no cause for regreting his purchases.

Mr. Lathrop, the wood agent of the Company, has bought large quantities of wood, and, as it seems to your Committee, his purchases have been judicious.

In respect to the manner in which the contracts for the purchase of equipment have been made, your Committee find, from the evidence of Messrs. Osgood Bradley, and Hinkley & Drury, (pages 137 and 138 of the Appendix,) that a portion of the equipment has been contracted for under an agreement by which some party, other than the Old Colony Railroad Company, has profited, probably to the injury of that Corporation.

All bargains of this description are to be deprecated; for, although it is possible that no loss may happen to the Company therefrom, yet there is great danger of peculation, if its officers use their official position for any other object than to advance the interests of those whom they are engaged to represent.

Upon mature reflection, your Committee have determined not to propose a rigid rule, restricting the Corporation, in any case, from making a purchase of a Director; yet they desire to express most emphatically their disapprobation of permission being given for a Director to purchase of himself, on account of the Corporation; except in cases of emergency, when it would otherwise suffer.

In this connection, it is proper to remark that the Committee find that the payment of commissions to Mr. Gilmore, on the purchase of iron made for the Company,

was approved by all the Directors; the commission having been paid under a contract previously made.

The charge by Mr. Thomas, for commissions on purchases for the Samoset House, seems to have been properly allowed by the Directors.

It appears from the evidence of Mr. Derby, (page 30 of the Appendix, in answer to the 75th interrogatory,) that he charged and received $70, as a commission on loans which he made to the Company. Your Committee thought this an improper charge on the part of the President, who was also Chairman of the Committee on Finance, and was entrusted, as such, with the management of the financial affairs of the Corporation; particularly when it did not appear that his fellow Directors had ever made a charge for similar services; or that they knew of the President's charging or receiving this sum. Upon ascertaining the views of the Committee on this subject, Mr. Derby promptly returned the seventy dollars to the Treasurer.

TREASURER'S OFFICE.

Mr. George N. Fletcher has acted as Treasurer of the Company since December 30th, 1846.

Mr. Fletcher was the clerk of Messrs. Gilmore & Crocker, his predecessors in the office of Treasurer, and he continued the system of book-keeping which he had adopted under Mr. Gilmore, in conformity to the system practised by the Treasurer of the Concord Railroad. Mr. Gilmore did not profess to be an accountant, though he always scrutinized the doings of his clerk, as appears by his evidence.

The system of book-keeping which might not be objectionable for one Treasurer to adopt, was open to severe censure as it was practised by Mr. Fletcher; and it prov-

ed so defective, that Messrs. James W. Sever, Pelham W. Hayward, and C. J. Everett, when of the Stockholders' Committee of Accounts, expressed their decided disapprobation of it. Some attempts were made to correct the evil, but they were not vigorously prosecuted, and consequently were unsuccessful.

Your Committee were astonished at discovering that the Treasurer's department was so carelessly managed as they found it to be, when they commenced the duties of investigation. They cannot blame the late Treasurer for his official neglect and misconduct, more than they do the Directors, for suffering their continuance.

Upon examining the Company's books of accounts, we could derive but little, or no information, as to the situation of its affairs. Blots and alterations disfigure the books, and entries have not been made in the order of the dates. The limits of this report will allow your Committee to allude but to few of the irregularities which they noticed.

The Treasurer kept no cash book, and mingled his own moneys with those of the Corporation; depositing all moneys which came into his hands in the same drawer, and under one bank account, and using these funds freely for his own purposes. The check book has been kept so irregularly that it fails of supplying, in any manner, the deficiency of a cash book, there being no correspondence between entries in this book and those in the journal. For some of the errors which appear in the check book, as well as the Treasurer's method of correcting them, we refer to the 64th and 65th interrogatories proposed to that officer. (See Mr. Fletcher's evidence, pages 6 and 7, interrogatories 63, 64 and 65.)

The book purporting to contain a schedule of Notes

Receivable, and Notes Payable, has been so badly kept that it cannot be relied upon. In the list of Notes Payable, the Committee find omissions of entries to the amount of $354,312.79; and in the list of Notes Receivable, omissions amounting to $166,522.99. There is no book for entering purchases, and no letter book; neither has there been any regular file of the letters which have been received at the office. There are no regular waste-books for original entries in detail, Mr. Fletcher having apparently relied upon his memory to supply the want of these books.

The entries have been made in the journal irregularly; and not infrequently without dates; or, if with dates, without order or neatness. For instance, in the journal we find entries under date of February 20, on pages 75, 77, 79 and 81; and afterwards, on March 13th, page 87, there appears another entry under date of February 20th, the intermediate leaves and spaces being filled up with various entries of different dates in February and March. The order in which the entries have been made on the same page will appear by an entry, probably in 1847, though no date of the year appears;—August 4th, 10th, 4th, 5th, 10th, 5th, 6th, 7th, 9th, 10th, 9th, 10th. In 1848, January 13th, 21st, 24th, 13th, 21st, 24th, 22nd, 25th, 13th, 24th, 26th, 17th, 22nd, 23rd, 27th, 17th, 18th, 21st, 24th. Of alterations of figures we find, in journal page 51, for instance, eighty-six entries and ten alterations; on page 46, fifty-seven entries and six alterations. In leger, page 155, eighty-two entries and nineteen alterations.

There is a great number of transfers in the leger from one account to another, without any entry in the journal to explain such transfers.

We have found entries of larger sums than there

were paid, as, on journal page 62, under date of February 20th, 1847, amount charged to Machine Shop from a bill of South Boston Iron Company, paid February 12th, 1847, $402.86. The sum charged should have been $202.86; the overcharge being $200. This error was discovered by one of the Committee on Accounts, and was rectified September 8th, 1847. On the 7th of August, 1847, the sum of $800 was charged to Bridging Account, instead of $8.00, for a bill paid to L. & E. Clapp; the overcharge being $792.00. This error was discovered by one of the Stockholders' Committees on Accounts, and corrected December 1st, 1848. On September 12th, 1848, the amount of the pay roll for labor charged to Road Repairs was $151.33; the amount of the same pay roll is charged in the Treasurer's books, on the same date, to Superstructure—the overcharge being $151.33. This error having been discovered by the Stockholders' Committee, was corrected January 19th, 1850. There are other overcharges which have also been detected, upon comparison with original bills.

Though all these errors directly affected the cash account, they do not appear to have been noticed in that account; and the Directors were not informed, as we understand, that the Treasurer had, at any time, a surplus of cash, until the errors were discovered.

These errors were all in the Treasurer's favor, and he had the use of the Corporation's funds, to the amount of the errors, till the mistakes were rectified; for, as he mingled his private funds with those of the Corporation, he took, to his private account, whatever surplus cash appeared by the Corporation's books to belong to him.

These errors would not appear by the trial balance, except that the Treasurer would, if he had attempted

to balance his cash, have found that he had more cash than was set down in the trial balance. There are, however, omissions in posting from the journal to the leger, and errors of addition in the journal, which would appear by the monthly trial balance, if the balances were taken off from the leger correctly.

The monthly trial balances, as exhibited to the Directors, were forced during the continuance of these errors. On the credit side of the cash account in the leger, there is an interlineation of $232.50 for the purpose of forcing a balance (as was admitted by the Treasurer) without any date or explanation; and it is taken from no account, or entry, in any other book.

Of the various examinations which the books have undergone by Committees, some have been to see that the vouchers agreed with the sums charged for disbursements; some to see that the posting from the journal to the leger, and the additions in the journal, were correct, without referring to vouchers; but we cannot ascertain that the receipts, except cash received by the Treasurer, from the Superintendent, for the space of about two years, have been examined at all; and none of the examinations for disbursements have been complete, for the entire time during which Mr. Fletcher has been Treasurer.

By the monthly trial balances large amounts of cash appear to have been on hand at different times; and your Committee can obtain no satisfactory explanation, from the books, or the Treasurer, of what items these large balances consisted, except whatever amount might, by his bank-book, appear to have been in the Bank at the time. The difference between the amounts of cash, as appears by the trial balance, and the amounts of

cash in the Bank, varies in different months, from about $5,000, to upwards of $120,000.

The question arises, where were these large amounts of cash, if they were not in the Bank? Who had the use of the money? The Committee do not find by the books, that the Company has received any interest, at any time since Mr. Fletcher has been Treasurer, for moneys loaned; but from the names of certain persons which we find on the books, we think a small sum, not more than $100 in all, may have been received as interest on loans.

By the Treasurer's monthly trial balance, made up to the 1st day of February last, it appears that the cash on hand, at that time, was $8,199.88. Your Committee called upon the Treasurer for a statement of the cash items, and after altering it several times, he finally gave them a statement in which it appeared that his cash items amounted to $8,283.21. One of these items was—"Due from G. N. Fletcher, Treasurer, $577.61;"—being the amount he had borrowed and taken from the Company's funds for his private use.

The Committee have obtained from the present Treasurer, Mr. Washburn, the following statement of the account of the late Treasurer with the Company, when he retired from office:—

G. N. Fletcher, in account with the Old Colony Railroad.

March. 13.—To amount of Cash, - - - -	$2,000.00
" 15, " " rendered short - - -	1,049.12
	$3,049.12
Cr.	
Amount standing to credit of Unclaimed Dividends, after unclaimed dividends per dividend sheets are paid,	174.00
	$2,875.12

This balance of $2,875.12 was not paid over to the present Treasurer by the late Treasurer when he retired from office; and upon being called upon by the Investigating Committee, Mr. Fletcher stated that he had a claim of $2,000 against the Company, for amount paid for clerk hire, and for his services as financial agent of the Company, since Mr. Quincy, as Chairman of the Committee on Finance, ceased to manage its monetary affairs.

These facts having been communicated to the Directors, they, on the 27th of March, instructed the President to notify Mr. Fletcher to repay the amount of the deficit within forty-eight hours. Under this direction, the President procured from Mr. Fletcher, on the 29th of March, a joint and several note, signed by George N. Fletcher and others, for the above sum of $2,875.12, payable in six months from date, with interest. A receipt for the note was given to Mr. Fletcher, with this statement in respect to the note; "It is, however, taken with the understanding that the said Geo. N. Fletcher reserves any claim he may have against the Company, and that any sums allowed him for services or disbursements shall be endorsed thereon; and that the Company reserve any claims that may hereafter appear."

The claims of Mr. Fletcher upon the Company, we are instructed by the President, and believe, are entirely unfounded; as, by the records, it appears that Mr. Fletcher's salary was $1,000, including his clerk hire.

We regret that we are compelled to call the attention of the Stockholders to the official misconduct of the late Treasurer; and, while we would not impeach his integrity, we cannot hesitate to express our disapprobation of his method of accounting for his receipts and disbursements. We speak of his errors, in this respect, with the stronger reprobation, because we are satisfied that

he understood the proper mode of keeping books, and could have kept them, if he had so chosen, with perfect accuracy, and with less trouble than his system has cost him.

By the evidence of Mr. Fletcher, it will be seen that he carried on other business than that of Treasurer; that he bought and sold stocks, and received a brokerage commission therefor; and that the profits of such business have been at least equal to his salary.

Mr. Fletcher has used the facilities which he had, as Treasurer of the Corporation, in circulating the bills of Banks, from which he received personal accommodations for so doing, to a large amount, during nearly the whole time that he was Treasurer.

He has sold and issued, as Treasurer, certificates of stock of which he was not the owner at the time. To be sure, he says, he has, in such cases, placed money in the drawer. It is apparent, however, that if his private funds were mingled with those of the Corporation, there was no specific application of this money to the Company's use.

The certificate book has been kept so irregularly that it is impossible for your Committee to ascertain the full extent to which Mr. Fletcher has issued stock for his personal accommodation.

The Committee believe that Mr. Fletcher has had every opportunity to defraud the Corporation, if he had been disposed to do so. There has been no check of any importance upon his accuracy; there has been no proper supervision of his doings; there has been no examination of the items of his cash account; and it is impossible, at the present time, to say to what extent errors exist in the books which he has kept.

Your Committee recommend that all the books in

the Treasurer's department be re-constructed from vouchers and other evidence, which may be obtained from the parties who have had dealings with the Corporation. The labor of re-writing the books will be considerable; but it is necessary that the work should be done, for the purpose of discovering past errors, as well as for future security.

SUPERINTENDENT'S OFFICE.

This Office is kept in better order than that of the Treasurer; yet here your Committee find much to complain of.

As will appear by the examination of the Superintendent, and of Mr. R. L. Merriam, his clerk, there is an absence of checks in the ticket department. No record of tickets is made, and no account is taken of those on hand, nor are those returned by the Conductors ever counted. They are kept in drawers and cases, which are never locked, and are accessible to many persons; and frequently they are left exposed upon the counter.

These tickets are, to a great extent, as current as bank bills; and if they are not abstracted in large numbers, at one time, would never be missed.

The Superintendent does not appear to have ever examined the accounts of the Master of Transportation, in Boston; nor has he, or any one, examined the books and accounts of his own department, for the purpose of ascertaining if they were correctly kept by his clerk.

The returns of the Conductors, Station Agents, and other officers accountable to the Superintendent, have not been scrutinized; and no proper supervision of the doings of these officers has been exercised.

Your Committee think that the Superintendent has been too anxious to show a large income, and to repre-

sent the business of the Road as profitable, when it has not proved so; that he has not justly charged expenses and losses to Expense Account, but has funded charges, which should have come out of Income, by carrying them to the debit of Construction Account.

We have likewise thought that, from fear of giving offence, he had not dismissed employees, when they should have been discharged for incapacity or unfaithfulness.

The expenses of the Road have been greater than they would have been, under a more watchful and prudent management of this department.

But the Committee think that, though these defects have existed, the evil is mainly attributable to the want of a Board of Directors, or a President, who would check the Superintendent, if he were wrong, and sustain him cordially in reforming the errors of his department. The Superintendent, being a subordinate officer, cannot discharge his duties energetically and profitably, unless he is sustained by his superiors. If the Directors are divided in their counsels, to whom can he look for instruction, advice and encouragement?

The Committee desire to express to the Stockholders their confidence in the integrity of the Superintendent and his clerk. They also congratulate the Stockholders that, in Mr. Moore, they have a Superintendent unsurpassed by any in the country, in watchfulness against accidents in the running of trains; and they believe that the rare occurrence of casualties on our Road, is owing, in a great measure, to Mr. Moore's constant vigilance and systematic arrangements.

FREIGHT OFFICE.

The Freight Department at South Boston, which is under the immediate care of Mr. William J. Merriam, is conducted with more system and energy than any other branch of the Company's business.

From Mr. Merriam's books and accounts, your Committee have derived much assistance in investigating the conduct of his department, and they refer to his evidence, as containing valuable information in regard to the freight business of the Road.

MACHINE SHOP.

The Machine Shop includes the iron and wood-work department, and the paint shop. There is now but one overseer of these different departments—Mr. Samuel M. Cummings—and the work is done much better, and more prudently, it is believed, than formerly. The force in the Machine Shop has lately been much reduced, and the management of this department is now approved. Mr. Cummings, we think, strives to perform his duty; and the Committee have great satisfaction in saying, that never, since the Road was opened, has this department been so well conducted as it is at the present time.

We trust that, in future, there will be a considerable reduction in its expenses; and that, hereafter, a more exact system of keeping its accounts will be adopted.

It having been intimated to your Committee, by some of the employees of the Company, as well as anonymously, that abuses had existed for a long time in the management of the paint shop, they called before them all those who could give any information upon the subject, including the foreman of the shop; and, after examining these persons, and the books of the shop,

kept by the foreman, they were satisfied that articles had been sold from this shop, or used in the private business of its foreman, and had not been promptly accounted for, at the time, by him; and that work had been done unnecessarily, by the foreman and his son, on Sundays, for the purpose of obtaining from the Company double pay, which was allowed for work done on the Sabbath. Having communicated the result of these inquiries to the President and Superintendent, those officers examined the evidence which had been obtained by this Committee, and re-examined the foreman—and then discharged him, and his son, from the service of the Company.

The Committee trust that such abuses will never again exist in this branch of the Machine Shop, as it is now placed under the supervision of Mr. Cummings.

The following table will present the Machine Shop Account, as it appears on the books of the Company, for the year ending Nov. 30, 1849:

Machine Shop stands charged as follows:—

To amount of materials on hand, Nov. 30, 1848, -	8,476.00
" pay rolls for labor, year ending Nov. 30, 1849 -	22,469.41
" amount paid for materials for repairs, for the year ending Nov. 30, 1849, - - - -	21,774.80
	$52,720.21

This account is balanced by the following credits:—

By Construction Account, - - -	6,573.72	
" Wood and Oil Account, for labor at Boston and Plymouth, charged to Machine Shop	1,088.00	
" Sundry Accounts for Work and Materials,	342.65	
" Repairs of motive power,	18,569.98	
" " passenger cars,	10,020.51	
" " merchandise "	3,295.20	
" other expenses, - -	2,449.81	
	34,335.50	
" Stock on hand, Nov. 30, 1849, -	10,380.34	
		$52,720.21

The appraisement of the tools and fixtures belonging to the Machine Shop, made by Messrs. Griggs & Andrews, will be found in the Appendix, page 153.

Two or three additional stalls are required for the engine house which is connected with the Machine Shop; and some tools and fixtures are also thought necessary for the economical management of the business of this department. But a small expenditure will be requisite for these purposes, and, as the outlay will be saved, in a short time, by the protection to the engines, and the greater efficiency of the shop, your Committee recommend to the future Board of Directors to make these improvements.

FREE PASSES.

The following is the present free ticket list on the Old Colony Railroad, as furnished to the Committee by the Superintendent:—

"1. The Directors of the Corporation with their wives and children, and all other persons in the employ of the Company, and the wives and children of the Superintendent and Conductors. Also, the wives and children of all persons employed on locomotive engines belonging to the Corporation.

2. The Directors, Superintendent, and Conductors of the Fall River Railroad, with their wives and children; also the Treasurer and Master of Transportation at Boston, and Master Machinist at Fall River.

3. The Captains, Mates and Clerks of the Fall River Steamboats connecting with our Road, and the Directors of the same, with their wives and children.

4. The Directors of the Boston and Worcester Railroad, and their families.

5. The Presidents and Superintendents of all Roads terminating in Boston, with their wives and children.

6. The Directors, Superintendents and Conductors of the Cape Cod, Dorchester and Milton, and South Shore Roads, and the wives and children of the Presidents, Superintendents and Conductors of said Roads.

7. The Hon. Daniel Webster, Fletcher Webster, Esq., the City Engineer, and Mr. William Evans.

8. Stage proprietors running coaches to and from the Road on regular established lines, and horse dealers to and from New York in Fall River Trains."

The subject of free passes is one of more interest to this Corporation than to most Railroads, on account of there being many connecting Roads which are either dependent upon, or of little advantage to it; and yet the numerous Directors, and other officers of such Roads, are allowed these privileges, which, on no account, should be granted to any one, unless under the provisions of a subsisting contract, or where an adequate consideration is received therefor.

By the table (marked G) which is annexed in the Appendix, page 161, it will be seen that the Superintendent reports the number of persons (excepting those in the employment of the Company) carried free over the Road, to be 6,541, for the year ending December 1st, 1849. This report of the Superintendent was prepared from returns of free passes made to him by the Conductors.

It will be noticed by referring to the table, that the number of free passes, to and from the Branch Roads, has been very large; and, consequently, the Old Colony Railroad has been deprived of a great amount of revenue, which could have been applied to reducing the losses arising from the Branches.

In the evidence of Asa H. Moore, who has been a Conductor of the Passenger Train between Boston and Plymouth, since the Road was opened, it will be observed that he states, in reply to interrogatory 11 (page 132 of the Appendix) that "eight or ten times as many more pass over the Road free, than the number the Conductors are required to return, or do return." The same person states, also, in reply to interrogatory 6, (page 131 of the Appendix) that the number of free passengers has been less during the last year than formerly.

If it were possible to confine the number of free passengers to those specified in any list, your Committee might attempt to prepare such a list as would be, consistently with a due regard to the interests of the Stockholders, accommodating to the officers of this Company and its connecting lines; but it is impossible to do justice to the Stockholders, and permit a free list to exist, so extended as at present. And it is impossible to remedy this grievance, without entirely eradicating the evil.

The Committee think, moreover, in the present situation of the Company, that the future Directors of the Old Colony Railroad should use their utmost endeavors, by the most prudent and disinterested action, to increase the income by accepting or allowing no gratuities which the Corporation cannot afford. Certainly no Company which is independent of the Old Colony Railroad, could find fault with this restriction; for no such Company would, in future, be obliged to allow the privilege of free passes to the officers of the Old Colony Railroad Company and its dependent Roads.

Your Committee were surprised at finding that there was a contract between the Old Colony Railroad Corpo-

ration and the South Shore Railroad Company, in respect to free passes for the Directors of the last named Road, which was not referred to in the Records of our Company, as making a part of the contract with the South Shore Railroad, though it was regularly executed by the President and Clerk of the Old Colony Railroad Corporation. For a copy of this contract, which is published in the Appendix (page 143) the Committee are indebted to a Director of the South Shore Railroad, no copy having been found in the possession of any of our officers.

After much deliberation, your Committee think it best to recommend to the Stockholders, to pass a vote restricting the right of free passage over the Old Colony, South Shore, and Dorchester and Milton Branch Railroads, to the President and Superintendent of the Old Colony Railroad, together with those who are engaged immediately in the service of the Company, either in forwarding the cars or repairing the Roads, and such persons as may now have the right by contract. All others should pay their fares.

While in the service of the Company, the Directors, and other officers, should travel at its cost, but at no other times; and, when on such service, their expenses of travel should be charged to, and paid by, the Corporation, in like manner as other expenses.

The Directors should frequently examine the situation of the Road, at the expense of the Company, and should receive an adequate compensation for all services which they render. But this compensation should be determined more equitably than by making it depend upon the extent to which they, and their families, avail themselves of the privilege of a free passage over their own Road, and other Roads which reciprocate the favor.

The privilege which has hitherto been granted to the Stockholders, of passing over the Road, to and from the meetings of the Company, without paying fare, is open to so many abuses, from transfers of shares for the purpose of obtaining free passes for friends, that your Committee recommend that it be taken away.

There is no good reason why one Stockholder, living upon the line of the Road, should be furnished with a free ticket, while another, residing at no greater distance from the place of meeting, in a different direction, is compelled to pay for his fare.

It is now time for the Stockholders to order that no unequal privileges be granted to Director or Stockholder. All the earnings of the Road should be husbanded to pay an equal dividend to the Shareholders, in proportion to the amount of stock they respectively represent.

FARES.

In the tables marked J and K, (pages 164 and 165 of the Appendix,) will be found the Passenger Tariff, and Average Rates of Fare, over the Main Line and Branches.

It appears by the Superintendent's return, that the average rate of fare for passengers on the Main Line and Branches has been, during the past year, 2 99-1000 cents per mile.

Your Committee believe that the rate has been too low, and they think the Directors have acted wisely in lately raising the tariff.

It is important that the public should be accommodated in every reasonable manner by our Railroads, and that the fare should be as low as possible; but, in the

first place, the Company should receive an adequate compensation for the services it renders.

The community does not require that the Stockholders in a Railroad should lose their investments, in affording the means of safe and rapid conveyance; but it does require that its masses should not suffer on account of the mismanagement of a species of property, especially dependent for its revenue upon the patronage of the public.

If the public is satisfied that, by judicious management, a Corporation cannot afford to convey its passengers or freight for the fare which it has charged, they will pay more, without complaint.

Good judgment, also, must always be exercised in view of the peculiar situation of a Railroad. It is as unwise to have the passenger tariff very low, in the region where the travelling public is small, as it is to have a high tariff of prices, where the travelling community is large.

The Committee would recommend that no season tickets be issued for a less period than three months, and that no such tickets commence on any other dates than the 1st of January, April, July, and October. If this rule were adopted, and free passes were not allowed, the fares of all passengers would, with certainty, be collected.

ANNUAL MEETING.

The subject of changing the day of the annual meeting of the Stockholders has been presented to your Committee, and they think it advisable to recommend an alteration of the day of meeting, so as to give ample time for the future Board of Directors to present to the Stockholders a correct report of the situation of the

Company's affairs, at the expiration of the year's business.

Upon consultation with the present Board of Directors, the Committee recommend that, in future, the annual meetings of the Stockholders be held on the second Wednesday of February, and that a copy of the report of the Directors be left at the Treasurer's office, for each Stockholder, at least ten days before the meeting.

CONCLUSION.

In the preceding pages the Committee have commented upon the manner in which the different departments of business have been conducted, and have been compelled to express their disapprobation of the course which the President and Directors have pursued, in permitting defects to exist when they could have been easily remedied.

After a laborious investigation, the Committee are convinced that the losses of the Company are mainly attributable to the injudicious system of management which has prevailed.

The Company has suffered from being managed by a Board of Directors who have been unable to discharge their trust; when it should have been governed by one able man, devoted principally, if not exclusively, to its interests.

It is a waste of time and energy for seven men to come together from the different walks of life, and attempt to decide, and act upon, the various questions which arise in conducting a Railroad.

Frequently when honest and intelligent men feel themselves oppressed by the necessity of speedy action, they will, from being imperfectly informed upon the subject, decide wrongly; or, if they decide rightly,

and with promptness, it must be by chance, or under the influence of a controlling mind; and, in the latter case, they but act the farce of pretending to judge, when they are not permitted to do so.

The Directors should always be vigilant guardians of the property entrusted to their protection; but they should not attempt to manage, in detail, the business of a Railroad.

There should be, in the opinion of your Committee, but one man at the head of a Railroad Corporation. He should be competent for that office, and should be amply remunerated for his services; all the subordinate officers, should be under his supervision, and immediately accountable to him; and he should be held strictly responsible to the Directors and Stockholders for the result. He should have the privilege of calling upon his Directors as a board of consultation, if he desires their advice and support; but they should not impede his action, provided he is, in their opinion, zealously and judiciously striving to discharge his duties.

The Directors of the Old Colony Railroad Corporation, by Committees, of which the President has generally been the Chairman, have managed the important business of the Company. The Directors allege that though the Committees have existed, yet they have trusted the management of the Corporation principally to the President, who has not devoted sufficient time to the business of the Company, or has not been competent for the office which he filled. On the other hand, the President states that he has not been aided by the Board as he should have been, in discharging his duties; that his Directors have not had confidence in him; and that they have, at times, embarrassed his action,

when they should have afforded him countenance and support.

Your Committee believe that both parties are censurable. Yet the Directors are most to be blamed, for retaining their seats at the Board, and allowing, by their neglect, the interests of the Company to suffer for years, from not having at the head of the Corporation one who was, in their opinion, competent, and who could devote as much time to the affairs of the Company as its business required.

We have spoken, in these pages, of the Directors as a Board; but the Committee are satisfied that Messrs. Hunnewell and Hayward, the first gentleman having been in the direction two years, and the last but one, have felt the responsibility of their situation, and have endeavored faithfully to discharge their duties as the trustees of your property.

The ultimate success of the Company, in the opinion of your Committee, depends entirely upon its management.

As will appear by Mr. Parrott's report, (page 149 of the Appendix,) the Road itself, is, with the exception of the track, generally in good condition.

The business of the Road must increase with the growth of the country through which it passes.

The Company has the means of paying a dividend on its stock, if its legitimate business be steadily prosecuted under good management. But the anticipated increase of business will have no beneficial effect upon your investment, if the scheming and shifting policy, which hitherto has been practised, is continued.

Several subjects have been referred to your Committee which they have not discussed in this report, as they are matters of detail in the management of the Com-

pany; in respect to which the Stockholders are not so well qualified to decide, as a competent Board of Directors. In the decision of such a Board, the Stockholders should have confidence.

Your Committee have been desirous of presenting to you the true situation of the Company, without regard to any other than the real interests of the Stockholders.

It seems proper to add that, as no hope of pecuniary reward from you induced them to enter upon the duties which are now brought to a close, they determined, upon their organization, to make no charge for their services. They will be amply compensated, if, while having endeavored to conduct their investigations with fidelity and impartiality, and to give the result of their convictions with candor, you shall be satisfied with the manner in which they have discharged the labors assigned to them.

All which is respectfully submitted.

FRANCIS B. HAYES,
CHARLES MIXTER,
ALEXANDER HOLMES,
JOHN COLLAMORE, JR.
NATHANIEL WHITING.

Boston, April 8th, 1850.

ERRATUM IN THE APPENDIX.

The 141st Interrogatory to Mr. Derby, page 42 of the Evidence, should read thus;—

"Should not the amount of interest actually owed by the Company, on November 30th, 1849, be deducted from the Reserved Fund?"

APPENDIX.

EVIDENCE.

EXAMINATION OF GEORGE N. FLETCHER,
Treasurer of the Old Colony Railroad.

FRIDAY, JANUARY 18, 1850.

Interrogatory 1. How long have you been Treasurer of the Old Colony Railroad Corporation, and what has been your salary?

Answer. I have been the Treasurer since Mr. Gilmore left, about December, 1847. I have received a salary of one thousand dollars *per annum.*

Int. 2. What are your official duties?

Ans. I receive and disburse all the moneys of the Corporation and keep an account of all disbursements to separate accounts.

Int. 3. Have you any other business than that of Treasurer of the Old Colony Railroad Corporation—and if so, what is it?

Ans. I do private business. I mean by that my own personal affairs.

Int. 4. What proportion of your time do you devote to the care of your personal business?

Ans. I have no set time for doing my own business.

Int. 5. Is this business distinct from the affairs of the Corporation?

Ans. Yes, Sir. It is not receiving or paying out moneys for the Corporation.

Int. 6. Have you received any brokerage for the purchase or sale of stock, while Treasurer?

Ans. I have received pay for such things.

Int. 7. Have you received it from the Corporation, or from others?

Ans. From others.

Int. 8. Have you received the bills of any Banks for circulation, and given the checks of the Corporation therefor? If you have, of what Banks did you receive them, and what benefit did the Corporation, or any person, receive from the operation?

Ans. I have had such bills from the Plymouth, Mattapan, Hingham, and Newton Banks. The Corporation received a benefit by having a larger surplus in their own Bank—the checks not being immediately used in all cases. I received benefit, pecuniary benefit; I received facilities at the Bank, in the shape of personal loans.

Int. 9. What disposition do you make of bills, which you receive for circulation, or of any balance of bills remaining in your hands, upon the close of the business of the day?

Ans. I retain them in my hands.

Int. 10. Who is responsible for any loss of these bills which might occur by fire or other accident?

Ans. If they were bills received for my own operations, I should be responsible. If they were bills on hand, belonging to the Corporation, the Corporation would be responsible.

Int. 11. Do you keep your own cash and that of the Corporation separate?

Ans. No, Sir. Together.

Int. 12. Do you keep a private cash book?

Ans. Yes, Sir.

Int. 13. Do you keep a cash book, as Treasurer?

Ans. Yes, Sir. What I call a cash book. It is a cash journal.

Int. 14. How often do you balance your cash account, as Treasurer?

Ans. I have no stated periods for that, except once a month.

Int. 15. Is your cash book what is called by merchants a cash book? If it differs from what is generally known as a cash book, please state what the difference is?

Ans. No, Sir—it is not what mercantile men call a cash book. I make entries on my cash book which are not exclusively cash transactions. In mercantile cash books, only cash items are entered—but in mine, I make entries, one to balance the other. I merge all my entries into one book, whether cash transactions or not. For instance, I should enter—

"Passenger Receipts Dr.
to Fall River Railroad,
"For balance of passenger account for month of December."

Now on the above item, no cash passes between us at the time.

Int. 16. Can you balance your cash at any time by this book alone, without picking out items of cash transactions from the other entries?

Ans. I cannot. I must have one item from my leger, which item is the balance of cash on hand at the first of the month.

Int. 17. Do your books show all your cash transactions, as Treasurer?

Ans. No, Sir.

Int. 18. What are the deficiencies?

Ans. If I should give an agent funds to disburse, I should not make an entry of the transaction. I should prefer to make a minute of it, in my pocket book, until he had returned me the vouchers.

Int. 19. Should you not always require of your agent a receipt for the money you paid him?

Ans. Yes, Sir.

Int. 20. Do you preserve your pocket book memoranda?

Ans. Not often.

Int. 21. Have you loaned any of the funds of the Corporation to individuals, without the Company's receiving any interest therefor? If you have—to whom, to what amount, and on what time was such loan made.

Ans. I don't remember any such case at this moment.

Int. 22. Have you paid to any person any funds of the Corporation, upon receiving a memorandum check therefor?

Ans. Yes, Sir.

Int. 23. To whom have you so paid money, and to what amount? State generally what amounts, as nearly as you can recollect.

Ans. I cannot do it.

Int. 24. State the names of some to whom you have thus paid money.

Ans. Nathan Carruth, as agent—contractors, and other agents.

Int. 25. Has a commission been paid to any person for negotiating the stock or bonds of the Corporation? If so, to whom, and to what amounts, have such commissions been paid?

Ans. Yes, Sir. P. P. F. Degrand has been paid for negotiating some hundred shares of stock, about twenty-five dollars.

Int. 26. Did any person, pretending to be authorised, purchase rights of subscription for the Old Colony Railroad stock? If so, who was the person, and what amount of rights was so purchased?

Ans. My impression is that it was so, and that Mr. P. P. F. Degrand was so authorised. I don't remember what amount of rights was so purchased.

Int. 27. Has the Old Colony Railroad Company paid a commission to any of the Directors, or other officers of the Corporation, for loans to the Corporation? If so, to whom was such commission paid, and what amounts of money have been so expended?

Ans. I don't remember.

Int. 28. Was all the stock which was issued at ninety cents on the dollar, taken by the old Stockholders—or was a portion of it taken and reserved for, and on account of, the Corporation? If so, what amount was so taken, or reserved, for the Corporation, by whom, and by whose authority?

Ans. It was not all taken by old Stockholders. My impression is that some portion was reserved for the Corporation, say one hundred and fifty shares, subscribed for in the name of one of the Directors—William Thomas, I think. I don't know by whose authority.

Int. 29. Has the Old Colony Railroad Corporation paid a commission, or any sum, to any Directors, or Director, or agent, for procuring loans for the benefit of the Corporation? If so, to whom, and to what amount?

Ans. One thousand dollars was so paid to Josiah Quincy, Jr., as financial agent for the Company for about one season.

Int. 30. Has any Director of the Old Colony Railroad, to your knowledge, been connected with any company formed for speculating in the stock of the Corporation?

Ans. I decline to answer.

Int. 31. Were you ever connected with such a company?

Ans. I decline to answer.

Int. 32. Was ever Mr. Carruth, while President of the Corporation, connected with any such company?

Ans. I decline to answer, having been a private clerk to Mr. Nathan Carruth. As Treasurer of the Corporation, I probably should

not have known of any such transaction, while as private clerk, I might.

Int. 33. Have you drawn checks, as Treasurer, for your individual benefit, other than for your annual salary?

Ans. Yes, Sir.

Int. 34. On what account, and why did you do so?

Ans. On what account I can't remember, but because my private funds were with those of the Corporation.

Int. 35. If you had any private operations, have you been accustomed to draw out the Company's funds for your own use?

Ans. Not to any amount.

Int. 36. What do you mean by "not to any amount?" How much, at any one time, have you ever drawn out, and borrowed of the Corporation's funds, for your own use?

Ans. It would be difficult to tell, as, oftentimes—my funds being with those of the Corporation—I could not say which way the balance was. I do not know how much I have at any one time drawn out of the Corporation's funds and borrowed for my own use.

Int. 37. Do you keep, for your own private use, and according to the custom of merchants, a cash book, different from that above referred to, as kept by you for the Corporation?

Ans. I keep what is generally called a petty-cash.

Int. 38. In this cash book, or other private book of accounts do you, or not, insert the amounts you borrow from different persons, and from the Corporation?

Ans. All bills payable I insert in my private book. I don't intend to borrow of the Corporation.

Int. 39. Do you ever intentionally overdraw, and borrow of the Corporation funds?

Ans. In an emergency I might—as a reciprocal loan. For sometimes I loan to the Corporation, and sometimes the Corporation loans to me.

Int. 40. Have you the control of the funds of the Corporation in the Bank, so that you can draw checks without the approval of the President, or some other person?

Ans. Yes, Sir.

Int. 41. Do you pay the bills of the Corporation by Bank bills, or checks on the Bank?

Ans. By both.

Int. 42. Do you preserve your checks, as vouchers for cash payments, or do you keep your check book so that it may serve as such voucher?

Ans. Neither. My vouchers are my bills.

Int. 43. Why do you insert in your check book, initials instead of writing the names in full?

Ans. Because it is less trouble.

Int. 44. Have you received instructions from the Directors to deposit all the receipts in the Bank, daily?

Ans. No, Sir.

Int. 45. Will you explain to the Committee three entries in the check book, under date of October 19th and 20th, 1849—"G. N. F. m. $2682 11"—"Note paid G. N. F. 5000," and "G. N. F. 4000?"

Ans. My impression is that my deposits were about the amount of those sums. I may be able to tell, by my petty cash, what these transactions were. The other day, I received some two thousand dollars from New Hampshire, for the purpose of private investments for the individual who sent the money, and I deposited it in the Bank, with the funds of the Corporation. This sum has since been used. Such a transaction as this is not infrequent, and has been quite common.

Int. 46. Has any sum for extra interest, or exchange, been paid to any Bank or Banks? If so, to what amounts, and to what Banks?

Ans. There has been, but I decline specifying to what Banks and what sums.

Int. 47. Have you ever loaned Willis & Co. funds of the Corporation? If so, on what security, to what amount, and when?

Ans. I have. I cannot say what amounts, but I have always had collateral. The reason was because Willis & Co. had frequently benefitted the Corporation by loaning it funds, and at such times we used to work it the best way we could, for the advantage of the Corporation.

Int. 48. Did you ever receive extra interest from Willis & Co. for the Corporation?

Ans. I don't know that I ever did.

Int. 49. Have you paid Willis & Co. extra interest, or sold them the paper of the Corporation?

Ans. They have negotiated paper for me, and I have paid them extra interest, brokerage, exchange—or whatever you please to call it.

Int. 50. Have you frequently borrowed money of Willis & Co. and paid them more than six *per cent.* interest?

Ans. I have—of all the brokers.

Int. 51. Have these transactions of lending money to Willis & Co. and others, been known to the Directors?

Ans. I think they have.

Int. 52. What paper did you give when you borrowed money for the Corporation?

Ans. The Treasurer's paper; generally made payable to his order, or to that of the lender, and in some cases when Mr. Quincy acted as financial agent of the Company, it was endorsed by him, and sometimes by the Directors, viz: Mr. Derby, Mr. Hunnewell, and Mr. Crocker. The bills payable, on file, will show who endorsed the paper.

Int. 53. While Mr. Quincy was financial agent did he direct you where to carry the paper?

Ans. It was generally done by Mr. Quincy. He would direct me to write notes, and he would give me the money, or send me for it. Usually he gave me the money for them.

Int. 54. Have you ever received instructions from the Directors of the Old Colony Railroad Corporation to keep your books of accounts by double entry? If so, when was the first time you received such notice?

Ans. I think I have. My impression is that I received orders from the Directors; it may have been from some Committee. I have always contended that my books were kept by double entry. The Directors requested, in September last, that I should change my method of keeping the books.

Int. 55. Did you alter your system of book-keeping?

Ans. I did alter it, to conform to their directions. Since the 1st of October, I have kept the books like those of the Providence Railroad; the entries are all the same, excepting that I make a cash entry instead of a bank entry.

Int. 56. Why did you not keep your books so as to make your bank entries show your cash transactions, and conform with the Providence Railroad method of book-keeping, in that respect?

Ans. It would have been more trouble, and not so convenient for me.

Int. 57. What do you mean by "not so convenient?"

Ans. It was not so convenient for me, since—if I had to distribute bills—I could not keep the books so. And, in my opinion, it was not so convenient for the Corporation—having many small bills to pay.

Int. 58. Is not the system adopted by the Providence Railroad Company a greater check upon the Treasurer than yours?

Ans. Yes, Sir.

Int. 59. Do you preserve your bank checks when returned to you?

Ans. I generally do, but have not made a practice of saving them carefully.

Int. 60. Do you preserve and file all the letters you receive as Treasurer?

Ans. No, Sir.

Int. 61. Are you not accustomed to preserve the letters of the Corporation?

Ans. Only the important letters.

Int. 62. Have you a letter book; and do you keep copies of letters referring to the affairs of the Old Colony Railroad Corporation?

Ans. I have no letter book, but have some copies of letters, essential to business, on file. No letter book has ever been kept by the Corporation.

Int. 63. Can you explain the entry in the check book, July 30, 1847, "Error some months since, $19.03?"

Ans. Probably there was some error back of it. At the end of the month the accounts varied, the error had in some way crept in, but how, I can't tell. I cannot refer back and explain it.

Int. 64. Will you explain the entry in the check book, July 2nd, 1849, "Add for error to agree with Bank $351.02?"

Ans. Probably it was in subtracting or adding in the check book. My not knowing it at the moment may have happened from my keeping my cash with that of the Corporation.

Int. 65. Will you explain the following entries in the check book, under their respective dates, viz:

"February 2, 1848.	Error not deducted on the 24th,	$ 4.11
May 1, 1848.	Deposited April 5—error 50 cents—add for error,	3.66
August 1, 1848.	Add for error July 31,	100.09
October 2, 1848.	Less error September 4, $1000—add error deposited,	20.00
March 5, 1849.	Add for error in deposit,	100.00
March 13, 1849.	Add error deposited,	9.00
March 15, 1849.	Less not deposited,	150.00
August 1, 1849.	Error corrected for July,	500.00"

Ans. I cannot remember how the errors happened. All I can say with regard to all the errors in the check book, is, that my account did not agree with the Bank account, and I made them agree, by adding or subtracting, to make them balance. I do not consider my check book as a book kept to correspond with my cash journal, and therefore am not particular in keeping it.

Int. 66. In case your cash account, as Treasurer, did not balance, and a large amount appeared against you, did you make the deficiency good, out of your private cash, or do you consider yourself responsible for it?

Ans. I consider myself responsible for any deficiency arising through my negligence. If there were any large balance against me, I should say I should make it up. I have made up one of between two and three hundred dollars, which occurred in making up a trial balance in 1847, as will appear by the books.

Int. 67. Have there been any other deficiencies which you have made up?

Ans. I cannot name any.

Int. 68. Are there now any deficiencies in your cash account with the Company?

Ans. On Saturday night last the Company owed me. There are no deficiencies to my knowledge.

Int. 69. If there should be a surplus of cash in your hands at any time, over and above what appeared by the books to belong to the Corporation, should you appropriate it to your private use?

Ans. I should, unless I knew it belonged to the Corporation.

Int. 70. Did your cash account as Treasurer, balance last Saturday night?

Ans. Yes, Sir.

Int. 71. Have you ever been notified by the Bank that your account was overdrawn?

Ans. Yes, Sir—once.

Int. 72. Have you paid the Market Bank extra interest?

Ans. It appears by my books that I have paid that Bank more than six *per cent.*

Int. 73. How much more, and in what manner?

Ans. In the shape of exchange. If I remember aright, Samuel O. Mead discounted one of our notes at one and a half *per cent.* per month, or at the street rates, whatever they were; the note might have gone into the Bank, and the difference between six *per cent.* and the rate paid, might have been endorsed on Samuel O. Mead's note.

Int. 74. Will you explain the several entries in the cash journal made under their respective dates, viz:

"May 27, 1848,	Interest paid	Plymouth Bank,	$1,000 00
December 23, 1848,	"	"	500 00
February 8, 1849,	"	"	365 00
May 10, 1849,	"	"	37 00
June 21, 1849,	"	I. N. Stoddard,	200 00
Aug. 13, 1849,	"	"	800 00
Sept. 20, 1849,	"	"	67 54
Amounting to			$2,969 54"

Ans. This was interest and exchange on notes held by the Plymouth Bank against the Old Colony Railroad Corporation, and interest endorsed on the different notes up to certain dates.

Int. 75. What was the rate of interest paid to the Plymouth Bank?

Ans. I decline answering the question, but there are the books and the notes, and if a person wishes to find out let him figure.

Int. 76. Were the entries in the books made so as to conceal the amount of actual extra interest paid by the Corporation to the Plymouth Bank?

Ans. Yes, Sir; it was done to conceal the amount of extra interest paid.

Int. 77. The Committee notices large amounts set against the name of Nathan Carruth, and the initials N. C. in the margin of the check book. Were these sums loaned to Mr. Carruth, and if so, were they loaned on interest, or otherwise?

Ans. My impression is, that they were not loans. The probability is that they were exchanges for money used for the Corporation. When Mr. Carruth was land agent for the Company, I would let him have money on his memorandums, and in a few days he would hand me the vouchers for it. He was in the habit of paying money for land damages, &c. along the line of the road, instead of its being paid at the Treasurer's office.

Int. 78. Were you not accustomed to loan Mr. Carruth moneys for a few days, from time to time, receive his memorandum check therefor, and not charge him interest?

Ans. I don't remember such instances. If Mr. Carruth had wanted money for a few days, I should have let him have it without charging him interest, if I had had large deposits.

Int. 79. What salary did you have from Mr. Carruth as private clerk, while you were Treasurer of this Company?

Ans. Five hundred dollars per annum. I was private clerk for him about one year and a half. I received salary as Treasurer at the

same time. I have not been clerk for Mr. Carruth, since a year ago last June.

Int. 80. You have stated that you have other business than that of Treasurer of the Old Colony Railroad Corporation,—what amount of income do you receive therefrom?

Ans. I think I received as much as my salary when I was in State street, but since leaving there, my facilities have not been so good, and I don't know that I have received as much as I did before.

Int. 81. Have you sold Old Colony Railroad bonds or stock, on which you have received a commission?

Ans. Yes, Sir. I cannot tell to what extent.

Int. 82. Have you received a commission, or brokerage, or any remuneration, on any paper discounted for account of the Old Colony Railroad Corporation?

Ans. No, Sir. I think not. I don't remember of any.

Int. 83. Have you sold stock in the Old Colony Railroad Corporation for your private account, given certificates therefor, and afterwards purchased stock to make your stock account good, as per stock leger?

Ans. I might have done it for a day or so, by putting money in the drawer. I sometimes sold stock and gave a certificate for it, without having any on hand, and when I went down town, procured it.

Int. 84. Will you state how much stock you have so transferred, and when? Will all the stock so transferred appear by the stock leger?

Ans. I cannot state how much stock, nor when I transferred it. I should think that what I have so transferred, would not appear by the stock leger.

Int. 85. How do you ascertain when stock stands in the name of an individual on your stock leger, whether he holds the certificate or not?

Ans. By referring to my certificate book. I have no check upon it. I have given certificates of stock without receiving the receipts for assessments.

Int. 86. At what date did you guarantee, as Treasurer, and deliver, $25,000 of South Shore Railroad bonds, pursuant to the contract between the Old Colony, and South Shore Railroads?

Ans. In December, 1848, twenty-five thousand dollars of the South Shore Railroad bonds were guaranteed by me, as Treasurer of the Old Colony Railroad Corporation.

Int. 87. Were you authorised by the Directors, or a Director, of the Old Colony Railroad Corporation, to issue the guaranty of that Corporation to these bonds, without taking security? If so, by which of the Directors?

Ans. Yes, Sir. My impression is that the Finance Committee authorised me to do it.

Int. 88. Has the Old Colony Railroad Corporation ever received any security on account of said guaranty?

Ans. No, Sir.

Int. 89. Were there companies formed, for speculating in the Old Colony Railroad stock, during the years 1845, 1846, and 1847?

Ans. My impression is that there were companies so formed.

Int. 90. In whose name did the stock of said companies stand, in the transfer books?

Ans. It would be impossible for me to tell. I think it more than probable that stock standing in the name of P. P. F. Degrand Trustee, was stock held by Mr. Degrand as Trustee for those companies;—I think that the stock in the name of C. A. Read, Trustee, was also connected with them.

Int. 91. Will you explain different transfers of stock for large amounts, by the above named parties, as Trustees?

Ans. I could not explain them.

Int. 92. What were the dates of formation, and the term of continuance, of the different speculating companies of which Mr. P. P. F. Degrand, and Mr. C. A. Read acted as Trustees?

Ans. Between December 2d, 1845, and January, 1848, a large amount of stock was held by Mr. P. P. F. Degrand, and Mr. C. A. Read, as Trustees for these companies.

Int. 93. Was Mr. Nathan Carruth, while President of the Corporation, a member of these companies? State all that you know.

Ans. My impression is that Mr. Nathan Carruth was connected with one or two of them.

Int. 94. Is Mr. Carruth, at the present time, a stockholder? If not, how long since did he sell his shares in the Corporation?

Ans. No Sir. I believe not. He has not been a stockholder since January 10th, 1849, when he sold his balance of ten shares.

Int. 95. In the records of certificates of transfer, there are transfers of P. P. F. Degrand, Trustee, to the Western Railroad, one hundred and fifty shares; and of C. A. Read, Trustee, to the Commissioners of the Sinking Fund of the Western Railroad, fifty shares. Please state in whose name that stock now stands?

Ans. The transfers were made January 14th, 1846. One hundred shares still stand in the name of the Western Railroad, and the other one hundred were transferred to T. J. Lobdell by Stephen Fairbanks, Commissioner of the Western Railroad Sinking Fund, February 20th, 1849.

Int. 96. Can you tell whether you have issued more stock, at any one time, as collateral for borrowed money, than you were authorised to do?

Ans. I cannot tell to-night, but may be able to tomorrow.

Int. 97. Has the bond given to Josiah Quincy, Jr. of $200,000, in November, 1847, for his indemnification, been given up, or cancelled?

Ans. Not to my knowledge.

Int. 98. Will you examine the account of J. Quincy, Jr. with the Old Colony Railroad Corporation, between December 4, 1847, and May 31, 1848, and state which of the parties received a balance of interest?

Ans. The Old Colony Railroad Corporation received the balance of interest.

Int. 99. What was the rate of interest charged and credited, on balances between J. Quincy, Jr., and the Corporation?

Ans. Six *per cent.*

Int. 100. What was the current rate of interest between Dec. 4, 1847, and May 31, 1848?

Ans. I should judge from twelve to fifteen *per cent.*

Int. 101. Will you please look at the five notes of $5000 each, dated June 24, 1848, signed by you as Treasurer, and payable to I. N. Stoddard, Cashier—and state what was the amount of interest paid on said notes, October 24th, and December 24th, 1848, and February 8th, 1849?

Ans. I could not state. The entries on the books would not explain.

Int. 102. You will notice that these notes are continued, and two months' interest paid and endorsed, on the 24th of December, 1848. Will you please state if the notes were continued at the same rate of interest as you had paid for the preceding four months?

Ans. I presume that they were. The Cashier was strenuous in saying to me that they did not take more than six *per cent.*

Int. 103. Why was he so strenuous in calling your attention to the fact that the Plymouth Bank only received six *per cent?*

Ans. Because that was the legal interest.

Int. 104. Did you pay, and did he receive, anything more than legal interest?

Ans. I think I may have paid him something in the shape of exchange, but cannot tell.

Int. 105. Will you please state if you paid him more than the ordinary rate of exchange between Plymouth and Boston?

Ans. All transactions with the Plymouth Bank were done with a saving to the Corporation—being at a less rate of exchange than could be done elsewhere.

Int. 106. What was the exchange you paid to Mr. Stoddard?

Ans. I could not tell.

Int. 107. Did you ever pay him as much as one *per cent.* per month on any transaction?

Ans. I don't think I have.

Int. 108. Did you ever pay him as much as three quarters *per cent.* per month?

Ans. I should think I had.

Int. 109. Did you ever pay him more than three quarters *per cent.* per month?

Ans. I may have done so.

Int. 110. For how long a time, on any one transaction, did you ever pay him as much as three quarters *per cent.* per month? Did you for as long as four months?

Ans. Possibly four months.

Int. 111. On what amount?

Ans. Possibly twenty thousand dollars.

Int. 112. Have you any doubt whatever that you have paid, as Treasurer of the Old Colony Railroad Corporation, to the Plymouth Bank, as much as three quarters *per cent.* per month, for as long as four months, on at least $20,000?

Ans. I prefer not to answer.

Int. 113. Have you made any negotiations for money, in behalf of the Old Colony Railroad Corporation, with I. N. Stoddard individually? If so, do these transactions appear on the books?

Ans. Yes, I have. I am not certain that they appear in the name of I. N. Stoddard.

Int. 114. What amount of money have you, as Treasurer, had from I. N. Stoddard personally, as distinct from the Plymouth Bank?

Ans. I could not tell. Mr. Stoddard has received my note from other individuals, often.

Int. 115. Have you had notes discounted at the Plymouth Bank for yourself individually, at six *per cent.* interest, when, at the same time, you were paying, as Treasurer of the Corporation, extra interest to that Bank?

Ans. I have received some personal accommodation for the distribution of bills.

Int. 116. Have you received the same accommodation at the other Banks, whose bills you have distributed, as at the Plymouth Bank?

Ans. No, Sir.

Int. 117. Did you have any bargain, or understanding, with the Plymouth Bank, in respect to the personal accommodation which you should receive for circulating its bills?

Ans. The accommodation referred to above, was for circulating bills.

Int. 118. Will you state, by reference to the notes and your books, the amount and rate of interest on two notes for $7000 each, and one note for $10,000 paid I. N. Stoddard, Cashier—on all of which is the following endorsement—"May 31st, Received interest to date"?

Ans. I cannot state exactly.

Int. 119. Was it at the rate of between nine and fifteen *per cent.* per annum.

Ans. It might, or might not have been.

Int. 120. Will you please examine the leger, and state whether you find an entry showing $8000 of Reserved Fund in 1848?

Ans. It is not there.

Int. 121. Does the Reserved Fund account, in your leger, show a balance which conforms to the statement of the President of the Old Colony Railroad, in his report to the Stockholders on December 1st, 1849?

Ans. It does not fully conform in the items

EXAMINATION OF E. H. DERBY,

President of the Old Colony Railroad.

FRIDAY, FEBRUARY 8, 1850.

Interrogatory 1. Will you state the conditions, if any, under which you consented to act as a Director of the Old Colony Railroad?

Answer. It was with the understanding that I was to be elected President of the Corporation.

Int. 2. Were you chosen President of the Company, immediately upon the organisation of the Board of Directors?

Ans. I was not.

Int. 3. Will you please state the reasons why you were not immediately chosen President of the Company?

Ans. No reasons were assigned to me, that I now recollect, why I was not at first elected President. I attended a meeting of the Directors with the expectation of being thus elected, my name having been placed at the head of the Stockholders' ticket. A few minutes before the election, I was told by Mr. Loud, that I must not be surprised, or affected, by the first action of the Board, as he thought all would be right at last. He made this remark to me aside, and I do not remember the precise words he used. He gave me no definite information, that I remember. The Board then voted, and Mr. Crocker was elected. He, subsequently, after thanking the Board, declined to serve.

Int. 4. When did Mr. Crocker decline to serve, and when were you elected President?

Ans. I think at the same meeting, January 3d, 1848. The Board then voted again. I think I did not vote. One vote was cast against me, and I was elected. I have an impression, upon further reflection, that I was subsequently told by some person, that the Board felt under an obligation to elect Mr. Crocker; but I do not recollect by whom.

Int. 5. Were you asked by any person, or persons, before you were elected a Director, if you would act as President of the Company?

Ans. I think I was asked by Mr. Quincy, by Mr. P. P. F. Degrand, by Mr. Carruth, the acting President, and by some others, if I would serve, if elected a Director, with the understanding that I should be President. When thus asked, I held no stock in the Corporation, and I was qualified by a transfer of stock to me by Mr. Carruth. I subsequently purchased a considerable number of shares.

Int. 6. Were you selected for the purpose of advancing, indirectly, any other interests than those of the Old Colony Railroad Company?

Ans. I am not aware that I was selected by any one, with a view to advance any interests except those of the Old Colony Railroad Corporation, and would not have taken the office to advance any in-

terests except those of the Company. I would add, also, that I have endeavored, while in office, to study the interests of the Company to the exclusion of all others.

Int. 7. Did you pledge yourself, before your election, that if you were elected President, you would maintain any particular measure or system, in regard to the management of the Company's affairs?

Ans. I have no recollection of pledging myself to any measure or system of measures, before my election. I was told, however, by some, that there was much disaffection on the line, and that it was expected that I should do all in my power to allay it.

Int. 8. What disaffection do you allude to?

Ans. I was told that there had been serious difficulties growing out of land damages; and some disagreement and altercation between Mr. Carruth and residents on the line.

Int. 9. What are the official duties of the President?

Ans. The official duties of the President, are, at present, the general supervision of the affairs of the Company; to sign certificates of stock; to preside at the meetings of the Board and of Stockholders; to confer with the officers of connecting lines and steamers; to advise as to the changes, and hours for trains; to act as chairman of Committees—and I think I have served on about one hundred, judging from general recollection; to have interviews with nearly all who have important business with the Company; to prepare reports to the Company; to conduct a voluminous correspondence; and to decide many questions presented by the officers of the Company. I have probably omitted many in my enumeration, among others, the revision and approbation of the monthly bills, which were numerous. I think I have devoted about five to six hours per day, upon an average, to the business of the Company.

Int. 10. What do you mean by the general supervision of the affairs of the Company? How far have you authority to supervise and control the management of the Company's affairs?

Ans. By the general supervision, I mean that the President is expected to be acquainted, generally, with the affairs of the Company, as respects the stations, the force employed, the claims against the Company, &c. But the power of the President to act, is limited; and in many cases executive powers have been given to Committees. I must refer to the votes of the Board, for the principal part of his powers.

Int. 11. Is your salary all the compensation you receive for the services which you render to the Company?

Ans. My salary is my sole compensation, and thus far I have not been paid for many expenses incurred, such as stationery, postages, &c., for two years past; for carriage hire, &c. And my salary has been twice changed—once raised from one thousand dollars to eighteen hundred dollars, and a few months afterwards, reduced to fifteen hundred dollars.

Int. 12. Have you any perquisites as President of the Company?

Ans. I have no perquisites; except that as an officer of this and other lines, I am often passed free over other lines, by courtesy. Such was the case before I became President, to nearly the same extent. I have not, however, entirely relinquished my professional business.

Int. 13. Have you not been paid, since you have been President, for attending before Committees of the Legislature, upon business of the Company?

Ans. On one occasion I was compensated to some extent, for services before the Legislature of Massachusetts. I allude to the Forbes petition. When I entered into office, I found the affairs of the Company in a very unfavorable position. The Corporation was oppressed with a heavy debt, and, at the same time, harassed by complaints from the people of South Boston to the Mayor and Aldermen, which were pressed with much pertinacity, apparently with a view to compel the Company to change the location. They called upon the City to compel us to erect gates; to restrict our speed; and to open a street across our freight grounds, from Broadway to Foundry street, which would interrupt the making up of trains. We were also incommoded, to some extent, for want of wharf-room; for less lumber was then sent from Neponset than is now loaded there. And we could not transport the Quincy granite to advantage, for want of room at our stations.

It was at this time suggested by our Superintendent, that a favorable route existed, to carry the line from Crescent avenue in Dorchester, to Pearl street, and that petitions were before the Legislature for the flats opposite. It then occurred to me that if I could obtain from the abuttors and the State, a *free grant* of these flats for the Railroad, several great objects might be accomplished. First, that the value of the property thus acquired would sustain our stock, and carry us through our difficulties. Second, that we should have an alternative, if excluded from South Boston, or embarrassed by the action of the City Government. Third, that when business revived, the continued growth of the business of the Worcester and Western lines, which had rapidly increased from 1842 to 1848, would create a demand for our property on the Cove, and enable us to sell enough to effect our removal to a vastly superior site; where we could much enlarge our trade in granite and passengers; and where, instead of paying sixty thousand dollars an acre for less valuable land and water, (as we had done to the South Cove Company), we might obtain fifty or sixty acres at a little more than the cost of track and filling.

Impressed with these ideas, I united with the Superintendent in a petition, and we induced Messrs. Forbes and Tileston to sign it. It was adopted by our Board, and five hundred dollars was appropriated to defray expenses. The plan was strenuously opposed. Messrs. Dehon and Daniel Webster appeared against it. But the Committee of the Legislature gave a bill with great unanimity, and it went once or twice through the Senate, and was finally lost, I think through the efforts of Dr. Walker.

I was informed that Messrs. Dehon and Webster received one thousand dollars for their services. All I received was the balance of the five hundred dollars beyond the expenses—I think about three hundred dollars. At this time my salary was one thousand dollars a year, and my charge to a client would have been at least eight hundred dollars, for the services rendered.

I ought also to add, that when I was elected, I stated to the Board

that I considered my time worth five thousand dollars a year; that I did not expect that my duties as President would require all my time; and that I was willing to proportion my labor to my pay, or words to that effect.

I am not aware that I have received compensation from the Company in any other case.

Int. 14. Were the Directors of the Old Colony Railroad in favor of the Forbes petition?

Ans. My impression is that Mr. Hedge was, at first, in doubt as to the expediency of the petition, and subsequently, before we had finished the case, became opposed to it. I had understood that it was favored by the other members of the Board. I remember advising with Mr. Crocker, as to who should sign the petition, and did not hear any objection from him. While, however, the case was before the Senate, Mr. Buckingham of Cambridge, informed me that he had dined with Mr. Crocker, and that he (Mr. Crocker) did not say one word in favor of it. I then, for the first time, began to think that Mr. Crocker had been influenced by Dr. Walker, against it.

I remember that our opponents said that the Directors were against it, and I believe that they, or some of them, were sent for, and went before the Committee, but did not state that they were opposed to it.

Int. 15. Did any of the Directors personally act with you, in the application before the Legislature?

Ans. Mr. Thomas acted with me, and was very much in favor of it. He was on the Committee.

Int. 16. Did you require the presence of the Superintendent and Engineer, before the Committee of the Legislature, on this subject, and if so, how long?

Ans. The Superintendent and Engineer were several times before the Committee. I cannot say how often. I do not remember that I required their presence, except on one or two afternoons, to testify. The Superintendent took as much interest in the question as myself. They both gave some time to it, but not, I think, to the neglect of other duties.

Int. 17. Did you instruct any of the conductors in the employ of the Company, to leave their immediate duties and use their time and best endeavours to obtain signatures in aid of the petition? If so, who were thus employed, and for how long a time?

Ans. I think that blank petitions were sent to our stations to be signed; and I have an impression that some were sent by Mr. Sampson, from Kingston to Duxbury. It is possible that he went to Cape Cod; but I am not aware that it was at any loss to the Company.

Int. 18. Did you think it of sufficient importance to retain counsel in the matter of the petition? If so, who was retained, and at what expense?

Ans. It was thought important to retain another gentleman, Mr. C. T. Russell, to open the case for the petitioners. He appeared, I think, but two afternoons, and gave but little labor to the case. His charge was, I think, fifty dollars, and it was paid out of the appropriation.

Int. 19. Did any Director object to your charging for your services; and if so, why?

Ans. I think that one or two Directors,—and my impression is that Mr. Crocker was one,—did make some objection to my having any compensation beyond my pay. This was, I think, sometime afterwards, and I think that he remarked at the same time, that he had been opposed to the petition—that it was against his interest. It may, however, have been at some other time that he made this remark.

I stated to the Board, that it seemed a little unreasonable that I should be expected, for one thousand dollars a year, to do the duties which had been done the previous year, when money was plenty, by Messrs. Carruth, Quincy, and Russell, at a cost to the Company of twenty five hundred to three thousand dollars a year, and be obliged, in addition, to fight, gratuitously, Messrs. Webster and Dehon, who were certainly formidable opponents, and, who, as I understood, received one thousand dollars for their fees.

Int. 20. Were you, at the time of the petition, interested in, or counsel for, the Boston Wharf Company?

Ans. I have never been, directly nor indirectly, interested in that Company, and have never acted as counsel therefor.

Some years previously, my partner, Mr. Fuller, had been counsel for them, but at that time they had discharged Mr. Fuller, and retained other gentlemen. I think Mr. B. R. Curtis and Mr. Goodrich were their counsel. I will also add, that I had no private interest of any kind or nature, either at South Boston or elsewhere, except as a Stockholder in the Old Colony Railroad, to be promoted by the petition. I considered myself as acting with a single eye to the great interests of the Company.

Int. 21. Did you act in this matter at the solicitation of any Director, or was it a project of your own?

Ans. I think the suggestion was first made to me by the Superintendent, when I was complaining of our present entrance. Mr. Thomas, I think, also gave me early encouragement; I believe it had occurred to him before. I supposed it acceptable to the Board, and, thus actuated, I went into it.

Int. 22. What was the cost to the Company of the petition, and the prosecution of the same?

Ans. I think the entire cost was about five hundred dollars. I had minuted in my books a sum larger than I received, but the Treasurer made up the expenses we had paid out, and I was paid, on account of services, as counsel, the balance of the appropriation.

Int. 23. Did you make contracts with the parties over whose land the Road would pass, if the proposed change should be effected? If so, state who were the parties, and what were the contracts?

Ans. I think two or three conditional contracts were made in writing, by myself and Mr. Thomas, as Committee of the Board, with the riparian proprietors, for a relinquishment of their claims to the flats the Company was to receive, on condition that certain filling should be done for them, and walls built. I do not remember all the

parties, but, I think, I have at my office some of the contracts, which I will produce, if desired.

I omitted to say, that I think the grant would have been worth to this Company, half a million of dollars, and would have secured a great public improvement—both ornamental and valuable to the City.

Int. 24. Had you obtained, or could you obtain, permission from the Fall River Railroad, and the Dorchester and Milton Branch Railroad, to change the location of the depot?

Ans. The Fall River Railroad strenuously advocated the measure, through its leading Directors, but I know not under what votes they acted. I have no doubt that all the Branches would have zealously supported it.

The Senator from Fall River, now member of Congress, zealously supported the measure in the Senate, and the Senators from the Cape, Plymouth, and Bristol, and a majority from Norfolk, favored it also.

Int. 25. Was it your opinion, and did you so state, before the Committee of the Legislature, that the present depot property, including the buildings, could be sold for cost, if the depot were changed from the present location to Pearl street?

Ans. I stated before the Committee that I expected that the Worcester, or Western, Railroad would soon require our grounds and depot property on the Cove, and that we could realise the cost—they were stronger than they are to-day. I had no idea of expending money on the new charter unless we could first sell our present depot ground to advantage.

Int. 26. Were you in favor of crossing Turnpike street with our cars, for the purpose of filling the flats at South Boston? Please state why you applied to the Legislature for the privilege of crossing Turnpike street, and by what authority?

Ans. I am not aware that I have ever made up my mind as to the policy of crossing Turnpike street with the gravel trains, to fill up our adjacent flats. I think it will depend upon the relative cost of mud by scows, and gravel by cars, which varies from year to year—whether it is politic to cross.

The original charter of our Company gave us rights, under which a location was filed, from the flats, east of Turnpike street, across such street. This charter contained a provision that our act should become void, unless our Road should be located and finished within a time prescribed. I became very apprehensive that, unless we crossed, we might vacate our charter. The citizens of South Boston, and the City, questioned our right to cross, and intimated that they should oppose it. Under these circumstances, I advised the Board to apply for an additional act, to recognise our power, extend the time for crossing, and exonerate us from forfeiture, if we concluded not to cross.

A petition was presented to the Legislature, and it was opposed by citizens of South Boston, by the City Solicitor, and by Dr. Walker. I arranged an act to suit the other parties, but I could not suit Dr. Walker, who seemed to fear that the object was to injure the South Cove. He suggested certain restrictions as to taking cars and business of the Worcester Railroad out of the Cove. But, as some

expressions suggested by him, or by Mr. Nichols, from the South Cove Company, were not acceptable to the South Boston gentlemen, the bill was passed without the aid of Dr. Walker.

We are now exonerated by the bill, from forfeiture, if we do not cross. In the draft of the bill, and, I think, at the suggestion of the Committee, a clause was introduced, authorising the Company to increase its capital to the extent, I think, of three hundred thousand dollars. It was suggested, that our existing capital was limited to two millions of dollars by the charter,—and that we were exceeding the amount authorised by law. The clause was introduced to meet this difficulty, and I felt obliged to the Committee, for what I considered a favor to the Company. When the bill was printed, one or two of our Directors read me a lecture for taking such a grant, without their direction. I told them I thought it my duty to take it. And I still think it would have been proper for the Company to have accepted it. I had repeatedly taken such powers in advance, for the Fitchburg Company, without any formal consultation with its Directors, and they had felt much obliged for it. When I found some of the Board objecting,—and, I think, the principal party was Col. Sever,—I stated that we could use the power or not, as we pleased, after we had it; but it would legalise our proceedings. As the objections were still made, I had the bill recommitted, and the clause struck out.

Int. 27. Are you now, or have you been, interested in the South Boston flats since you have been President of the Old Colony Railroad; or have you acted for those who have been interested?

Ans. I have not been interested in such flats, or acted as counsel or attorney for those interested, while President of this Company.

Int. 28. Have the books and accounts of the Treasurer and Superintendent of the Company, been kept under your supervision; and has the system of book-keeping which they have adopted, been approved of by you?

Ans. The books of the Treasurer and Superintendent have not been kept under my particular supervision. Those officers have continued to keep the books under the system which I understood was introduced by Mr. Addison Gilmore, our first Treasurer. I am not a merchant, and do not profess to be distinguished as a book-keeper. I have placed reliance on our Committee on Accounts, and Auditing Committees, (composed of able merchants,) who examine our accounts and books, to suggest any changes that might be considered improvements.

I have, too, devoted to other duties, which I considered more urgent and important, an amount of time far exceeding any compensation I have received, or any pledges I gave my associates.

I have felt, however, that we have required more assistance from clerks than we have had, and I have wished we could afford it. I think, that in posting the number of passengers, and in dividing and posting, from day to day, the various items of receipts and expenditures from different stations and branches, more clerks could have been employed to advantage.

Int. 29. What has been the extent of supervision you have exercised, in reference to the Treasurer's office?

Ans. I have, for a long time past, approved nearly all the bills to be paid—obtaining many deductions, which you will find often marked on the bills. I have usually passed a part of each day in the Treasurer's Office. I have, from time to time, been furnished with a transcript of the bills payable, and amounts receivable; and called for balances, from time to time. I have signed bonds, and directed, as Chairman of Committee, when to sell, and the price; and have, in the meantime, procured money for the Company. I have endeavored, from day to day, to see that the Company was prepared to meet its heavy liabilities. On the Finance Committee, I have received great assistance from Mr. Hunnewell, who was bred a banker, is familiar with accounts, and has ever been ready with his purse, his advice, and his vigilant eye, to aid the finances of the Company. Mr. Fletcher, too, was formerly clerk of his brother in law, Mr. Welles, and I have had reason to regard him as both truthful and trustworthy.

Int. 30. Have you been aware, while you have been President, that the Treasurer of the Company mingled his private moneys with those of the Corporation, using the Company's check-book and bank-account, and drawing checks thereon as Treasurer, in transacting his private business, and discharging his private debts?

Ans. I have not, until I heard such an intimation since this Committee was appointed. I was aware that he, at times, put bills into circulation for country Banks. But I understood from him, that we were favored with loans, in consideration of this, at lower rates than we could obtain them elsewhere. I know we had such loans, (on condition that our Treasurer should pay out bills), from a Bank at Hingham.

Int. 31. Have you been cognisant of the arrangements which the Treasurer has made, from time to time, with different individuals and banks, for obtaining loans?

Ans. I have often been consulted as to such loans, and have usually known, from week to week, the rates paid; except while confined by an accident that nearly cost me my life. When I was absent, Mr. Fletcher usually consulted other members of the Committee. Mr. Fletcher could often get money on better terms than we could, and I found that he sometimes borrowed at a little lower rate than the Treasurer of the Eastern Railroad, who was also in the market.

Sometimes one of the Finance Committee would obtain a loan,—sometimes Mr. Fletcher—and he was often applied to as the representative of the Company, by those who had money to lend; and thus would save brokerage.

Int. 32. What was the rate of interest which was paid at the Bank at Hingham, to which you have referred; and what was the arrangement under which the Treasurer circulated the bills of that Bank?

Ans. I had a conversation with the Cashier of the Hingham Bank, as to a loan of five thousand dollars, at six *per cent.* if my memory be correct, about a year ago, at Hingham, while on a visit to the South Shore Railroad. The Cashier stated that he would lend the money on condition that a circulation should be given to the

bills. I told him that we should like the money on those terms. I reported this to the Treasurer, and have the impression that he thus procured the amount. But the time is so remote that I cannot speak positively as to the transaction.

Int. 33. What was the arrangement with the Plymouth Bank, by which the Treasurer circulated the bills of that Bank?

Ans. I do not remember the details.

Int. 34. Has Mr. Fletcher, while Treasurer, carried on a brokerage business in money or stocks? If so, did you know it at the time?

Ans. I have not known that he speculated in stocks. But I did know, that parties having shares in the Old Colony, and Northern Railroads, have occasionally asked him to sell, or procure, a few shares for them.

He had acted as Treasurer for both Roads, and was receiving but one thousand dollars a year from this Company. I think he was doing this when I came into office. I supposed it was known to the Directors, and did not see that it could be objected to, without raising his salary. I did not understand, nor do I believe, that he has acted as a general broker, and I should require strong evidence of the fact, before I believed it.

Int. 35. Did you know that the Treasurer sold shares in the capital stock of this Company, and issued certificates therefor, without owning such shares at the time of the sale; and afterwards purchased stock to make his stock-account good in the leger?

Ans. I had no such knowledge. I should add to this, that his bond for thirty thousand dollars, with sureties, was in my possession.

Int. 36. Do you think such a course of conduct is justifiable?

Ans. I should not approve of it.

SATURDAY, FEBRUARY 9, 1850.

Int. 37. When, and how often, have you examined the Treasurer's cash acccount?

Ans. I cannot remember how often. It has usually been examined by others. I have very often called for the cash balance, and received it from the Treasurer. I do not think I have ever personally dissected the items of the cash balance. I have had no instructions from the Board as to such examination.

Int. 38. Did the Treasurer make known to you the items of the cash balance, when you prepared your last Annual Report to the Stockholders?

Ans. Soon after the last Annual Report, I was apprised that some part of the cash balance was either in the hands of the collecting clerks, or agents. Soon after preparing the same, I learned that a part consisted of memoranda of freight earnings, in the course of being collected, and which were charged as cash, to the agents.

Int. 39. What were the memoranda? Were the notes of the Superintendent, or agents, entered as items of cash?

Ans. I have not, and did not have, the details. They were more particularly examined by the Committee on Accounts, and I derived part of my information from Mr. Hunnewell.

I believe there has not been lost, since I have been in office, one-half of one *per cent.* on our freight earnings, by bad debts; although it is found most expedient to settle with some of our large customers monthly.

Int. 40. Did you examine, and find out, what portion of the cash items consisted of cash in the Bank; cash actually on hand; and memorandum checks or other memoranda?

Ans. I did not.

Int. 41. Did you ever compare the statement of cash items which the Treasurer gave you, with the Bank account, or vouchers?

Ans. I have not, and have not been instructed to do such duty; and do not consider that it was in the province assigned to me.

Int. 42. Did you approve of requiring the Superintendent to give his note for the freight earnings not received, but which were in the process of collection and adjustment?

Ans. I did not.

Int. 43. Do you consider yourself responsible for the truth, accuracy, and fairness, of the statements in the reports to the Stockholders which have been signed by you?

Ans. I consider it my duty to collect the materials for the reports to the Stockholders from the subordinate officers of the line. I do not consider myself responsible for their inaccuracy. Should I find them wanting in integrity or accuracy, I should feel it my duty to recommend a change. But while they were apparently faithful to their duty, I have felt bound to take their footings, computations, returns, and transcripts, as correct, unless they conflicted with my own knowledge. To verify all their returns personally, would be impossible.

Int. 44. Who is responsible for the statements contained in the reports to the Stockholders, in regard to the income of the Road and its expenses, and its prospects of business?

Ans. The President usually prepared the reports to the Stockholders upon the returns, obtained as you now obtain yours. As respects the prospects of the road, they are but matter of opinion. The statements have been usually framed by him, but sometimes have been modified by his associates. For the facts, he relies upon the returns which have, almost invariably, been furnished in reply to his inquiries, by the Superintendent, Treasurer, and other Officers, as they have been to this Committee.

Int. 45. Does the President deem it necessary, by personal inspection of the books and accounts, to verify the statements which are rendered to him by the Superintendent, and Treasurer, and which are incorporated into his report?

Ans. He has not deemed it necessary, although he has, at times, made such reference. If any very striking discrepancy existed, he thinks he should have discovered it, from his knowledge of the progress of the receipts and disbursements, from week to week, and month to month, with which he has been familiar. He has, for instance, been

able to estimate, very nearly, the receipts, before the close of the year, although he has been deceived as to expenses, by an excess in the fuel account, and expenses of machine shop, which exceeded his expectations.

Int. 46. In your report to the Stockholders, of December 20th, 1848, there is an item of eight thousand dollars, which is carried to Reserved Fund account, from Income account. Will you show this entry on the books of the Corporation?

Ans. I must refer to the Treasurer to show it. I now submit the statement of the Treasurer to me, on which the report was framed. It is marked A, with my initials. (*See A, at close of Mr. Derby's evidence.*) I stated to the Treasurer that it was important he should give us all the revenue collected or accrued, to show the income of the year; that we wished all that we earned, and nothing more; that it was due to the Stockholders that they should know all that we had earned.

In forming the report, it was suggested that of the balance of $14,141.59 of Income account, $8000 should be kept as a Reserved Fund, and the balance carried to Interest account, to reduce interest. The balance was thus carried, but as no vote was passed by the Board, other than the adoption of the report, the Treasurer informs me that he did not carry out the Reserved Fund in the books, in 1848, in full, because a part of it consisted of rents not collected, but which were subsequently received. It has not, however, I believe, been encroached upon by any subsequent dividends, and may be, at any time, thus entered in full.

Int. 47. Is there, in reality, any Reserved Fund belonging to the Company; or was there, at the time the report was made? If there was, please state of what it consisted.

Ans. I believe there was. But I must refer you to the Treasurer for the items. I do not mean that the specific sum of eight thousand dollars existed in cash. It consisted, as the reserve funds of most of our Railroads do, of cash items absorbed by Construction, and due therefrom to Income account, and of revenue accrued. For instance—rents and interest on a mortgage well secured, as I was informed by the Treasurer.

At the commencement of the year, the capital of the Company was reported at $1,199,300, and the debt at $452,796.10. In the course of the year about $360,000 of this debt had been converted into stock, leaving about one hundred thousand dollars of debt, besides the debt caused by the completion of the contracts of the Company. It was considered that the money carried to Interest account was sufficient to meet interest on this amount; and the balance of interest and expenses, and extra interest, caused by construction, were carried to Construction account. This was stated to the Stockholders, if I remember right, in the report.

Int. 48. We find, under date of November 30th, 1849, an item to the credit of Reserved Fund, of $1,545.37; and on the same date, a credit to Income account of $943.87; both sums making $2,489.24, being compound interest on F. K. Bartlett's note, dated March 6,

1847. Are these entries properly made? Will you please explain the same?

Ans. I think compound interest should be charged, as it can legally be collected before the principal becomes due. I am satisfied that the accruing interest on a mortgage well secured should be noted as Income; and believe it quite as well to have the Reserved Fund in such shape, as in Construction. At all events, there was no alternative. It was impossible to collect it at the time, although well secured. I could wish we had been rich enough to make a separate investment of the Reserved Fund, but we were not. The statement of it, in the report, was to show Income, as distinct from Construction.

After all, it was well invested in paying our debts, caused by Construction drawing more than six per cent. interest.

Int. 49. Will you please state the origin of the debt of Mr. Bartlett, and the character of the security? Do you rely upon the personal security of the maker of the note? Has any interest, or income, been actually received for the debt, or security?

Ans. The mortgage to which I refer is secured by real estate at South Boston, sold by the Company before I became a Director. I was informed that about one third had been paid, and a note and mortgage given for the residue. Parties interested in the property have repeatedly stated that they should improve it, and pay off the mortgage; and I was informed by the late President that the property had risen in value.

I think that no interest has been paid for two years past, and I requested the Board to authorise the Treasurer to enter to foreclose, which he did, I think, in 1848. I learned that the promissor of the note, apart from the property, could not pay the same, but relied upon the property; and I requested the Treasurer to see the taxes paid.

Int. 50. Is this real estate productive property?

Ans. It is unimproved, and yields no revenue; but it is destined, I think, to become very valuable. It consists of beach and flats, a little below South Boston Bridge, which can be filled up for fifteen or twenty cents a foot, and will rent when filled up.

Int. 51. Was compound interest on the debt made up by your direction?

Ans. I am confident that I could have given no such direction.

Int. 52. There was the sum of $425.50 received, being the first six months' interest, and credited regularly to Interest account. Was not the total compound interest, on the debt, $2489.50, made up with your approval, without deducting the $425.50 which had been actually received and previously credited to Interest account?

Ans. I do not know how the Treasurer made up his computation of interest. I requested him to gather together all the items of rents and other income, and give me the result; and he gave me the result in the aggregate. If he has made any error, I regret it, as I do all errors committed by the officers of the companies with which I am connected. I did not make up the computation myself;—certainly I have no recollection of doing so. I cannot now remember to what extent I analysed the statement. It is very probable that I asked of what it consisted, and if he was sure he was right.

Int. 53. In the report to the Stockholders, December, 1849, we find eight thousand dollars Reserved Fund from last year, less $591.72 excess of interest paid to the Dorchester and Milton Branch Railroad, over the estimate of last year. Are there any entries on the account books of the Company, corresponding with this statement?

Ans. I must refer you to the books. When the last report was prepared, I observed that the Reserved Fund was reduced, and asked for an explanation. Mr. Fletcher stated that the rent of the Dorchester and Milton Branch Railroad had exceeded our estimate, the cost having been swelled by land damages, and it was thus reduced. I supposed he gave me the amount from entries in the books.

Int. 54. In the report to the Stockholders, in 1849, the Reserved Fund for 1848 is stated at $7408.25. Is not $1545.37 of that sum made up partly of compound interest on F. K. Bartlett's suspended note, which interest was calculated and entered on the books in December, 1849; and was not that entry made instead of the $8000 Reserve Fund of 1848?

Ans. I must refer you to the books, and to Mr. Fletcher. I am unable to answer the question.

Int. 55. In the leger, we find a credit to Reserved Fund of $2682, being a transfer fro n the debit in Interest account, without any intermediate entry in the journal. Will such an entry on the books create a Reserved Fund which can be relied upon to pay the debts of the Company?

Ans. As respects the transfer to which you refer, I do not now recall the particulars.

If I understood the matter aright, the Company sold a small triangle of land to the city, on which a profit of about one hundred *per cent.* was realised. Also a lot of marsh land, of little value, at Mount Hope, on which a profit of about seven hundred dollars was realised, over the average cost of the whole estate, leaving the residue of greater value. I believe Mr. Fletcher at first carried the profit to reduce Interest, but I think I expressed to him the opinion that the profit belonged to Income, and I suppose he has transferred it to Income account.

The idea I entertained was, that we had reported to the Stockholders, that Interest had been credited with only $6141.59, and that the balance had been charged to Construction; and that the report had been drawn up with the belief that Interest had been reduced by no credit, whatever.

At a subsequent period, it was agreed with Mr. Evans, that the profit on Mount Hope should be allowed to him, if he took it at cost, and it is proper that this item should therefore be taken from Income. I have discussed this with Mr. Hunnewell, and he agrees with me.

Int. 56. Can any portion of the debts of the Company be paid and satisfied, at this time, by the property represented in the Reserved Fund account? If so what?

Ans. I have not, for some time, analysed the Reserved Fund account. I understood, however, that it consists in part of interest accrued on

the mortgage note, and profit on land sold. The balance, I understood to be the residue of Income.

I now learn for the first time, that the mortgage interest is not correctly cast; and in answer to the question, I shall say that the interest actually due on the mortgage, will be available for debts, unless the security should fail, whenever the mortgage is sold or paid. And the balance of Income will be thus available when repaid from Construction, by the sale of surplus property, subject to deductions for mistakes, if there be any. It is not available in money at the present time. I think, that were we to sell the mortgage at the present time, we should be obliged to submit to some discount. It is an unfavorable moment to sell anything.

Int. 57. Is it not, then, your opinion that the Reserved Fund is merely nominal?

Ans. I consider it more than nominal. A very large part of it will stand to the credit of Income, and aid Income hereafter, being made into money by sale of real estate, or applied to deterioration account without being converted into money to cover, in part, deterioration of road, cars, and engines. It is due from one account to the other, and all except the mortgage interest has gone into Construction expenses; unless you choose to consider it represented by the cash balance on hand, December 1st. Its only *specific* existence is in the shape of the interest.

I am unable to say at what discount the mortgage would sell, in the present state of the market.

Int. 58. What sum of money do you think can be realised, from the property represented in the Reserved Fund?

Ans. I have not sufficiently reflected, to answer the question. I consider, however, the amount due from Construction to Income, nearly equivalent to money. The road has deteriorated to some extent, and the amount may be considered invested, in part, and will probably be so considered, to cover deterioration.

The mortgage may be paid in full within a year, or we may lose upon it. Much must depend on the money market, and I look for improvement.

Int. 59. Had you seen the Reserved Fund account, as set down in the account books of the Company, before you drafted and submitted your report to the Stockholders?

Ans. I took the statements from the Treasurer. I did not take them from the books. I may have seen such account, but have no distinct recollection.

I remember once to have heard Mr. Fletcher speak of the difficulty of entering the rent and interest accrued, but not collected, and might then have seen some entry on the leger. But I do not remember distinctly.

Int. 60. Will you look at the items of Expense account, which have been afterwards transferred and charged to Construction account, during the years 1848 and 1849, a schedule of which is hereto annexed, marked B, [*E. H. D.*] (*See* B, *at conclusion of Mr. Derby's evidence.*) and inform the Committee whether these items are all properly car-

ried to the debit of Construction account, or whether these items should not have remained in the Expense account? Please point out what items, if any, are improperly charged to Construction account?

Ans. I was not aware that the items on paper B, (*E. H. D.*) were entered to Expense account and subsequently transferred. I have no recollection of having had the items submitted to me for directions. But I think the larger part of them, if not all, properly belong to Construction account. For instance, services in settling land damages, recording deeds, &c., are of this character.

The Superintendent usually determines what belongs to Income, and what to Construction.

The item of cash paid for fire damages, should not have been carried to Expense account. The subject was discussed by the Directors, and as the amount was paid for damages ascribed to an engine while grading the second track, it was considered by them chargeable to Construction, as a contingent expense, and is referred to in our printed report to the Stockholders, of last year.

Int. 61. Will you examine the schedule hereto annexed marked C, [*E. H. D.*] (*See* C, *at conclusion of Mr. Derby's evidence*,) of items which have been carried to Construction account, and see if, in your opinion, they are properly carried to the Construction account of last year?

Ans. I think the articles in schedule C. which I have marked with my initials, were properly carried to Construction account. The gravelling at South Boston appears to me rather large, but much work was done in finishing the ground, and I think this item must be correct.

Int. 62. Did you borrow fifty thousand dollars on January 13th, 1848, of Josiah Quincy, Jr., for the Old Colony Railroad Company; and did he lend it from his private purse, as stated by you at the last Stockholders' meeting?

Ans. In January, 1848, but I do not remember the precise date, Mr. Quincy did loan to me for the Company, fifty thousand dollars. I supposed he made the loan himself, from his own funds, but that he owed this amount to one or two Banks, and should expect us to repay it in case he should be called upon. I understood from him that we were to pay six *per cent.* interest. And I considered it a great favor, as money was then worth two *per cent.* a month. By reference to the notes, now exhibited to me, I find the date January 13th, 1848.

Int. 63. Will you please look at Mr. Quincy's account current, with the Company, commencing December 4, 1847, and settled May 31, 1848, in which the fifty thousand dollars above named is included, and inform the Committee who paid a balance of interest on settlement?

Ans. I did not settle the account with Mr. Quincy. I have the impression that it was done by a Committee, during my absence from the city.

Int. 64. When you requested a loan from Mr. Quincy, on January 13th, 1848, did you know that he owed, as the Chairman of the late Finance Committee, a large balance to the Company?

Ans. I did not.

Int. 65. For how long a time did Mr. Quincy make the loan, and what security did he receive?

Ans. The loan was on two notes, one at three, and the other at six days' notice. We repaid one from the assessments on new stock, that came in about January 21st; and the other, I think, in March and April. He had stock as collateral—I believe six hundred and sixty-eight shares. The notes were for twenty-five thousand dollars each.

Int. 66. Should you judge, by Mr. Quincy's account rendered, with the Company, which is herewith submitted to you, that he had been a borrower or a lender to the Company at six *per cent.* interest, between December 4, 1847, and May, 1848,—a period during which the Old Colony Railroad Corporation, was a large borrower of money at more than six *per cent.* interest?

Ans. By the account now exhibited, there appears to have been a balance of about twenty-five thousand dollars belonging to the Company, in the hands of Mr. Quincy, from December 22, to January 13. It would appear from examination of such account, that on January 25th, he took up a note of the Company for twenty-two thousand dollars and interest, leaving a small balance due to the Company. I have not previously had occasion to study this account.

Int. 67. Will you explain the loan effected January 13, 1848, for ten thousand dollars by S. O. Mead?

Ans. I was notified by Mr. Gilmore, to pay the principal part of a loan for one hundred thousand dollars, made to our Company, by the Western Railroad Company. He was very urgent, and the debt was due. I urged him to loan a part. He declined, but informed me that I could have ten thousand dollars at the Market Bank, if I would apply through Mr. Mead, and allow a sum in addition to interest, to be applied by him to an old debt due from Mead to the Bank. I did so, and obtained the amount at ten or twelve *per cent.* interest. I do not remember the precise amount, but remember that it was much less than the street rate.

Int. 68, *and* 69. Was Mr. P. P. F. Degrand, while you were President, authorised to purchase rights to take shares in the Old Colony Railroad Company, for the account of the Company? If yea, by whom? Was there a loss or profit on the purchase of these rights? If a loss, state how great.

Ans. There was some doubt, on the part of the Finance Committee, as to the right of the Company to issue stock below par. And a fear was entertained that it might thus expose itself, if the stock rose, to some claim, on the part of individual Stockholders, who did not acquiesce in the measure. There was, also, some fear that efforts might be made to depress the stock, and that the issue which seemed to be essential to the existence of the Company, might be thus prevented. I remember feeling much solicitude on the first point.

The Finance Committee, if I remember right, concluded it would be politic to buy at twenty-five cents a right, or about that rate, any rights thrown upon the market. And Mr. Degrand was requested to buy, and to sell again at a small advance, to subscribers. He did so, and I think that nearly all the Stockholders either sold, or

subscribed for stock. Our Treasurer, also, sold some of the rights bought. I think a small loss attended the transaction, which was paid by the Company. I think it was three hundred and fifty one dollars.

Int. 70. To what account was the loss charged?

Ans. I do not remember, but would refer you to the books.

Int. 71. Why were one hundred and fifty shares of the stock at ninety dollars, taken for account of the Company in 1848, when the subscription for stock was larger than the amount of shares on hand? Was there a loss or gain by this transaction?

Ans. The idea was that these shares would be sold speedily at a little above ninety, and thus defray the expense of brokerage, and other expenses attending the issue of the new stock. I think Mr. Thomas subscribed for them for that purpose. I believe a part was sold at ninety to ninety-two, and a part below ninety; and that the result left no profit, as the market drooped.

Int. 72. Were there bonds issued by the Company, for the sale of which it realised more than ninety *per cent*? If so, what amount of bonds has been thus issued?

Ans. Not long after Mr. F. C. Lowell, Actuary of the Massachusetts Hospital Life Insurance Company, took about sixty thousand dollars of the bonds, the Finance Committee raised the price to ninety-two, and sales were made at an advance above ninety, to a considerable amount.

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Int. 73. Will you please state what became of the premium which was realised by the Company over and above the ninety *per cent.*, and to what account it was carried?

Ans. I presume it has been correctly entered in the books, to the credit of the Corporation, and deposited in Bank. But must refer you to the books of the Treasurer. It was to go to the reduction of interest.

Int. 74. Have you ever personally discounted notes for the Old Colony Railroad Company?

Ans. I have done so.

Int. 75. Have you ever done so at more than legal interest?

Ans. I never paid, or took, more than legal interest in my life. But I have sometimes charged a commission for raising funds, and on two occasions have made such a charge to the Company.

When I became President, I did not understand it to be a part of my duty to endorse or guarantee the Company's paper. I have, through life, made it a rule not to do so. But I now found my individual credit was, at times, better than that of the Company, and that I could save it from loss by putting my own name on some of its paper. I have done so repeatedly, and have raised for it upwards of sixty-five thousand dollars, by my own name, on terms more favorable than the Company could otherwise obtain it.

I have thus far, made no claim for such endorsement or guaranty, other than as hereinafter stated, although I have *no doubt* such liability ought not to be assumed gratuitously.

For many years past, I have, from time to time, had sums of money placed in my hands on interest, with liberty to loan or invest the same, paying interest; and I have been accustomed, to loan the same on mortgage or collateral, charging interest, and have been accustomed to charge the parties who might borrow such funds, a commission of one *per cent.* for procuring the loan.

In January last, one or more investments having been called in, I had in my hands seven thousand dollars, and in April, five thousand. Learning that our Treasurer required funds, and was paying about one *per cent.* a month and brokerage, I told him that he might have these funds at six *per cent.*, until I required them; but in case he took them, I should charge a commission of a half to one *per cent.*, and that he could have them for some time. I told him that I could easily dispose of them to more advantage, but if he could not do better elsewhere, he might have them. He took them, and gave me notes payable to my order, which I retained until paid. He repaid the amount by degrees. He paid the last about August 1st. I charged, I think, one half of one *per cent.*, on one loan, and a trifle more on the other. The charge for commission was, I think, seventy dollars, and the interest about one hundred and thirty-five dollars.

I am not aware that I ever received any thing more, and I consider that I saved the Company about one hundred dollars by the transaction. But I am perfectly willing, and offer to submit both interest and commission to the decision of the Committee, and to relinquish both, if they decide it to be proper.*

Int. 76. Have you presented, and settled with the Treasurer, your account with the Company, for interest on the loans above referred to?

Ans. I have presented no account. The Treasurer cast the interest and paid me; remarking that he paid me less than to other people. In naming a commission when the notes were paid, I took into consideration, also, other guarantees which I had made, and for which I received no other compensation.

Int. 77. When did you have a settlement with the Treasurer, of your interest account?

Ans. I think that one note was paid about June, and the other about August.

Int. 78. Did you give the Treasurer a receipt for such interest and commission?

Ans. I gave him nothing but the notes.

Int. 79. Have your clients or friends, through you, loaned moneys to the Company at more than legal interest?

Ans. In no case whatever, unless it be the Boston, Concord and Montreal Railroad, which lent ten thousand dollars, at six *per cent.*, with the understanding that the Old Colony Railroad Company should furnish that amount in Treasury notes, at the rate then current, ninety-nine *per cent.*; and I think the notes rose one *per cent* before the debt was paid. The additional one *per cent.* has not been paid. They required the notes to pay duties.

* Having heard a doubt expressed as to the propriety of the charge, by an Officer of the Company, I have given my check for the seventy dollars commission, to the Treasurer of the Old Colony Railroad Corporation, March 9, 1850.

Int. 80. Is the sum of seventy dollars all that you have received for extra interest, commissions, guaranties, or discount on loans which you have made, or procured to be made, for the Company?

Ans. I have neither directly, nor indirectly, received any other sum, of which I have the slightest recollection.

Int. 81. Did ever the Directors pass a vote, forbidding the Treasurer to exhibit the books of the Company to the Stockholders?

Ans. I do not remember any such vote. But I have an impression that the subject was discussed in the Board, and that it was stated that all our private affairs were talked over in State street, to the detriment of the Company. I recollect that Mr. Hayward thought it very unreasonable, that parties should come to our books and make such use of the information. I think it was understood at the Board, that Mr. Fletcher should be directed to keep his books more private. He did so, and Dr. Walker, and some other persons, complained of it. I endeavored to ascertain the practice of other Corporations, and found that it varied. After further consultation, it was determined in the Board, to throw the books open, and it was done. But I do not remember that any vote was recorded.

Int. 82. Do you consider the contracts made with the Dorchester and Milton Branch, the South Shore, and the Fall River Railroads, favorable to this Company?

Ans. They were made before I became President, and I think in some particulars, they bear rather hard upon this Company. But there has been a great change of times since they were made, and it is difficult for me to appreciate all the reasons and motives that guided the gentlemen who made them.

The contracts were drawn up with much ability. But I do not think the pen was held by the Old Colony Railroad Company, when the contracts with the Fall River, and the South Shore Railroads, were drawn. Before I was a Director of this Company, the Fall River contract was shown to me, and I expressed the opinion that it was favorable to that Road.

Had I been a Director at the start, I feel confident that I should have taken the route by Bridgewater, now occupied by the Fall River Railroad. I expressed my opinion at that time, and sold my stock because it was not adopted. I subsequently, when the two charters were granted, for lines from Braintree to Bridgewater, and from South Abington to Bridgewater, was counsel for the Old Colony line, and urged on several of the Directors the expediency of abandoning the last named, and building the former; but I did not succeed. If the latter had been abandoned, I think better terms could have been made with the Fall River Railroad.

I think the contract with the Fall River Railroad has proved very oppressive to this Company, in requiring it to raise large sums of money at the most unfavorable time, for a station and second track.

I do not think the contract with the South Shore Railroad will be a burden to this Company. The contract with the Dorchester and Milton Branch Railroad does not promise so well.

Int. 83. Are you a Stockholder in the South Shore, the Dorchester and Milton Branch, or the Fall River Railroad?

Ans. I am not, and never have been.

Int. 84. When, and why, were bonds guaranteed to the amount of thirty thousand dollars, by the Old Colony Railroad Company, and issued for the benefit of the Dorchester and Milton Branch Railroad Company?

Ans. Soon after I was elected President of the Old Colony Railroad Company, I was requested by Mr. Tileston, late of the Governor's Council, to urge the Board to give some guaranty of the bonds of the Dorchester and Milton Railroad. To the best of my recollection, he stated that a small amount—about twenty or thirty thousand dollars would pay all that they owed. I declined to do so, stating that I feared the Company had liabilities of its own, which it would have difficulty in meeting. He appeared to feel that the Old Colony Railroad Company was under some obligation to guarantee the bonds, and urged that any losses which his Company might make, might fall ultimately upon the Old Colony Railroad. I was then busy in finishing my cases before the Legislature, and stated that I had not mastered the affairs of our Company; and I declined to urge the Board.

A written communication was subsequently laid before the Board, and the impression appearing to be that the Company was bound to do something, the vote passed. I do not remember that I voted. I did not feel that I understood the subject. It is proper, however, for me to add, that I do not think any risk attends the guaranty, as the bonds guaranteed might be paid by the rents reserved. I think the guaranty was communicated to the Stockholders in the Report for December, 1848.

Int. 85. Have you received any security for this guaranty?

Ans. None.

Int. 86. Have you paid interest, on the discount which was made by the Dorchester and Milton Branch Railroad, on the sale of its bonds, or on other loans which that Company has effected?

Ans. We have declined to do so, and have called for a statement of their capital. They have delayed to furnish the account, and vouchers. Mr. Hunnewell and myself are on a Committee to examine them, and hope to get the books as soon as I can be spared by the Investigating Committee. If they insist on such a claim, we shall offer to refer the question.

The Road is still unfinished, and the cost of interest varies from time to time. We have paid on the amount of cost, to date, as stated by their Treasurer, and as their payments for land damages are now being finished, we are endeavoring to investigate and close the amount of cost.

Int. 87. In a letter dated Dorchester, November 27, 1848, addressed to the President and Directors of the Old Colony Railroad Company, by E. P. Tileston, President of the Dorchester and Milton Branch Railroad,—are these lines—"We look upon you, gentlemen, as the *Fathers* of this Road, at all events, you will, no doubt, have to *Father* the bantling." Who does Mr. Tileston allude to, when he speaks of the "Fathers" of the Road? What acts have the Directors performed, to entitle them to this appellation?

Ans. I do not know. Certainly not to me. I remember the letter.

Int. 88. Was not this letter addressed to the President and Directors, to obtain their endorsement of a second issue of bonds?

Ans. I think it was; but such endorsement was not made.

Int. 89. Has application been made to the Dorchester and Milton Branch Railroad Company for security, on account of the guaranty by the Old Colony Railroad Company, of the thirty thousand dollars of bonds above referred to?

Ans. I have personally and repeatedly made such a request, but without effecting my object, since the date of that letter, and from six months to a year since.

Int. 90. Why did you ask for security, if you thought we were secured by the reservation of rents?

Ans. I thought it desirable to obtain all the security we could.

Int. 91. Has the Dorchester and Milton Branch Railroad Company lately mortgaged its road to secure its bonds issued subsequently to those guaranteed by the Old Colony Railroad Company? If yea, to secure what amount has the road been mortgaged?

Ans. I do not know that they have; but I have heard, sometime since, that they proposed to do so for twenty thousand, or twenty-five thousand dollars. I believe that their debts are now ascertained, and that they will come within the larger sum.

Int. 92. Has the Old Colony Railroad Company guaranteed, and issued, bonds to the South Shore Railroad? If so, what amount has been issued, and was security required agreeably to the contract, when such bonds were issued?

Ans. The contract with that Company required our Company to guarantee their bonds for twenty-five thousand dollars when half their track was laid. Such bonds were called for at the proper time, and thus guaranteed by our Treasurer, acting under a vote of the Directors.

The South Shore Railroad Company then promised to finish its road in a few weeks, and to give a mortgage, on the guaranty of the remaining twenty-five thousand dollars. Upon the opening of this line we called for such a mortgage, but were told, in reply, that we should either have it, or have the bonds back. We have since had all the bonds cancelled except sixty-eight hundred dollars which was sold, and we have a written contract with the South Shore Railroad Company, either to well secure said sixty-eight hundred dollars and relinquish the guaranty of the residue, or to give us a first mortgage to secure the fifty thousand dollars according to contract. One or the other to be done by the first of April 1850.

Int. 93. Was it not a condition of the contract, that no bonds should be issued and guaranteed by this Company, unless the South Shore Railroad first gave us the security?

Ans. Upon mature examination of the contract, I think it will bear such a construction. It was at first, however, considered that one mortgage was to be given to cover both sets of bonds.

Int. 94. Why then was not such security required, before twenty-thousand dollars of the bonds were guaranteed by the Old Colony Railroad Company?

Ans. I have given the reason above.

Int. 95. When did the Old Colony Railroad Company guarantee the South Shore Railroad bonds?

Ans. I must refer to the Treasurer. I think it was in December, 1848.

Int. 96. When did you demand security for the guaranty?

Ans. We have had frequent conversations with the officers of that Company, during the year, as to the bonds, and were assured that they should either be cancelled, or security given, as soon as they could determine whether it would be advisable for them to carry out or abandon the contract; that no more should be put in circulation, until this question was settled.

As the officers were apparently acting in good faith, and the bonds were in the hands of the largest stockholders of our Company, and did not much exceed the annual interest we are to pay under the lease, the subject has not caused much anxiety. A more urgent appeal was made for security about a month since, and eighteen thousand two hundred dollars of the bonds were cancelled, and an agreement was made to secure the residue.

Int. 97. Who made the contracts with Mr. Evans in respect to hauling the gravel? Please explain the circumstances which induced you to make such contracts.

Ans. When I came into the Board, Mr. Evans claimed that he had made a contract with Mr. Carruth, at twelve and a half cents a yard. The Board did not consider it closed, and I was upon a Committee, if my memory serves me, to close the contract. It was finally concluded at thirteen cents a yard. I drafted the contract. The Mount Hope land was selected by Mr. Moore, Mr. Evans, and, as I understood at the time, Mr. Eaton, the Engineeer. This contract was, I think, adopted by the Board.

I conferred with Mr. Felton, who thought that the gravel, at our prices, would pay as well as the brick business on the Fitchburg Railroad. It was obvious to me that the Company, with its increasing capital, required more business, and, according to the best information I could obtain, this gravel business would pay a large profit. It has been much retarded by events stated in our reports, and was not well established until the approach of winter, when the days are short. It has suffered, too, more or less, from the quality of wood used. I think it promises better for 1850.

Int. 98. Do you think that any profit has been realised by the Company from the gravel business?

Ans. I think there has been considerable profit thus realised. I think it was in the winter of 1848–49 that I first satisfied myself that the gravel of Mount Hope could not be worked to advantage. There are various gradations of gravel—from that which costs three cents to that which costs one dollar a yard to excavate. Much of that at Mount Hope is easy; but veins are interspersed, that it would cost eight to ten cents a yard to dig, and thus absorb the profit of the contractors. Boulders, too, were found in the core of the hill near the base, which occasionally broke the steam shovel. I did not satisfy

myself that the difficulty would be serious until after Mr. Evans withdrew his force. I thought, at first, that he complained without reason, as his machine would, for days, work well.

Int. 99. How have the gravel trains suffered in respect to fuel?

Ans. From the use of Plymouth wood. I think the cost of running has thus been increased.

Int. 100 When was it first known to you that the Mount Hope gravel was bad?

Ans. I think, about January 1849, Mr. Evans spoke of two or three reasons for stopping—the breaking of the rockers of his cars; the ice and snow; but also of the material, as not working well in cold weather; and of gravel freezing to the cars.

Int. 101. Were you not aware that Evans complained of the hardpan, and difficulty of shovelling the gravel before you made your report to the Stockholders, December 27, 1848?

Ans. I might have heard him make some suggestions of difficulties, but I did not attach any weight to them, if I heard them; I have been so accustomed to hear murmurs from contractors on railroad works, even when doing well. I have, however, no recollection now, of hearing more than that he had met with an obstacle at some point, by running his machine too low, and had subsequently avoided it by taking another direction. I do not think he said much to us about hardness of material, until afterwards, when he had endeavored to sell us his bridge and cars. I do remember that he was told—"You said little about material and estimated cost of shovelling low, when you proposed to sell us bridge and cars."

Int. 102. Do you remember when Mr. Evans spoke of the obstacle referred to in your above answer, and what that obstacle was?

Ans. I think it was late in the autumn. He had run his machine quite low, and struck either a rock or hard material. Mr. Moore asked me to go out with him, and pointed out the material in which Evans then was, as working very much better. The gravel had been used for some time previous in grading the Branch, and I understood it worked well.

Int. 103. When was the bargain made in respect to the purchase of Mount Hope, and who made it?

Ans. The selection of Mount Hope was made by others. The contract and deeds, were, I think, made at my office. The bargain, was, I think, either partially or entirely made by Mr. Moore. It was closed in my presence. I think a bond of the property was taken by Mr. Moore, and the land accepted by the Board; and that I was authorised to close the contracts, which I did.

Int. 104. Could not a prudent man have ascertained the quality of the gravel, before purchasing the hill, by sinking a shaft or shafts, or otherwise?

Ans. I think he could not by sinking a shaft at one spot; he might, probably, by a series of shafts. I understood by Mr. Moore that he had examined a long cut of the Turnpike through the hill, and ascertained the character of several wells on the side of the hill. Also, that he, the Engineer, and Evans, had satisfied themselves that it was right.

I considered Evans deeply interested, and most competent to decide—far more so than I was. I had no practical experience on the subject of gravel at the time. I well recollect, however, of thinking, when I drew the contract, that contractors often complained, and I inserted a clause requiring Evans to *accept, and to move Mount Hope*, and expressing his content and satisfaction therewith.

Int. 105. Have you allowed Mr. Evans to take gravel from any pit other than Mount Hope, without additional compensation?

Ans. We have not done so. He paid additional compensation at our Neponset pit. He did not go to our present pit until he had agreed to pay for Mount Hope.

Int. 106. Has Mr. Evans fulfilled all his contracts with the Company? In what respects has he been deficient?

Ans. He has not, to the letter. I never knew a contractor that did. He has been deficient in the quantity of gravel delivered; has not kept his track in perfect repair; has occasionally interrupted the work, by pressing down the wages of his men. Nor has he been prompt in paying the Company for certain old draws, and other materials which we sold to him.

Int. 107. Were you in favor of taking from Mr. Evans for account of the Corporation, his contract with the City, and of paying him his outlay for gravel cars and bridge, and allowing him a profit on that contract, without any liability on his part?

Ans. I do not think I had fully made up my mind upon the subject. There was one aspect in which the subject struck me favorably—it was, to receive twenty seven cents per yard; and to arrange for his cars and other materials, payable at cost, in our stock, and to carry on the business with more method, and on a larger scale. But I had not, according to the best of my recollection, definitively formed any decision. I may, for the purpose of discussion, have stated some reasons for such purchases.

Int. 108. What contract has Mr. Evans with the Corporation, in respect to the gravel business?

Ans. He has a contract which is on file with the Treasurer, modified by another which has been delivered to the Chairman.

Int. 109. What amount of debt is owing to the Corporation, from Mr. Evans.

Ans. There is due from him, well secured, on interest, twenty-seven hundred dollars; and on account, for old draws and other things, from two to four thousand dollars.

Int. 110. What security, if any, has the Corporation, that Mr. Evans will be able to assume the Mount Hope purchase?

Ans. His contract, and the fact that his bridge and his contract with the city will be worthless without our co-operation.

Int. 111. Does Mr. Evans dispute the validity of your claim upon him, in respect to the assumption of the Mount Hope purchase?

Ans. Not to my knowledge.

Int. 112. Does Mr. Evans make any claims in set-off to the claim of this Company upon him?

Ans. He intimates that he has claims in consequence of delay,

and I have no doubt he will make some. But we cannot induce him to present them.

Int. 113. Why have you not insisted upon a settlement with Mr. Evans, and compelled him to settle at law, or by reference, the claims between you?

Ans. We have had no remedy but the law, and we do not think it a favorable moment to commence proceedings.

Int. 114. For what length of track have you furnished iron, in connection with the gravel business?

Ans. We have furnished all that the contract requires, which, if I remember right, is two miles; it is mostly light iron, of forty-nine pounds to the yard, and also inferior rails. The Mount Hope track is about half a mile long.

Int. 115. What portion of the annual wear and deterioration of track do you apportion to the gravel business?

Ans. I have not exactly apportioned it. It is not yet fully ascertained by experience. My present estimate is not entirely reliable. I rate it now at from ten to fifteen cents per mile run. I should think that for the year ending December first, 1849, the road repairs due to the Evans gravel train were from eight to ten *per cent.* of the whole cost of railroad repairs.

Int. 116. Do you not attribute to the gravel trains a greater per centage of wear of track and road (on that portion over which those trains run,) than you have given above?

Ans. Undoubtedly. I consider the wear of the gravel trains, on the first six miles of our lines, much greater than that of the other trains. This may be ascribed to the size and weight of the gravel engines, and to the length of the trains. I know not that these trains are felt, particularly in keeping up embankments and clearing cuts, which form a large part of the cost of road repairs, and would continue if the gravel trains were discontinued. I attribute to the gravel trains a considerable wear of iron; and within a few days I have entertained fears that the weight of the engine Plymouth, when in motion, was greater than the Superintendent has reported to me.

The tonnage of gravel we transported last year, is not one fifth of the tonnage of coal transported in the same year over the Reading Railroad, and if there should prove to be an undue wear of iron on our own road, I think it must be ascribed, in part, to the engine, or to some deficiency in the iron.

The overseer of repairs on the first section of the Railroad from Boston to Neponset, has estimated that he shall require six hundred rails this year, to replace the defective bars. The cost of these, after deducting proceeds of old rails, will probably fall short of two thousand dollars. Perhaps he has estimated too low.

Int. 117. Has Mr. Evans taken any means for extending the gravel business for the ensuing year?

Ans. He has not agreed to put on any more cars of his own, but we had a conversation with him, not long since, on the subject of running *our* gravel cars from Tolman's pit in Dorchester, in the spring. He proposed to allow us about fifteen cents per yard. We claimed

sixteen, the loading and unloading to be done by him. We have not yet agreed, and do not think it advisable to start this train before March.

Int. 118. If any measures have been taken, with any other person, besides Mr. Evans, for extending the gravel business, please state what, and with whom?

Ans. No other measures have been taken.

Int. 119. Do you consider that what remains of Mount Hope is as valuable as it was before the sale of a portion of the original purchase for a piggery?

Ans. I have not made up my mind on that subject. I should consider it less so for building, but more so for a market garden farm, and for farming, and for some mechanical purposes.

Int. 120. As Mr. Evans has assumed the Mount Hope estate, is he not entitled to the profit of the sale to Messrs. N. Ward & Co?

Ans. He is entitled to such profit. And I now think that the balance of income, of $46,702.03, which stood on our books at the close of 1849, and constitutes the present Reserved Fund as due from the road to Income, should be reduced by the deduction of the $752, profit on Mount Hope, and by the deduction of $420, error in interest on note, which was carried by the Treasurer to Income.

Int. 121. Why, then, was not the profit of $752, on the sale to Mr. Ward, deducted from the Reserved Fund account, in preparing the annual report, if the profit belonged to Mr. Evans?

Ans. It should have been. But it was overlooked.

Int. 122. At a meeting of the Directors of the Old Colony Railroad Corporation, held November 21, 1849, it was—

"*Voted*, that the President cause to be prepared the annual report; said report to contain an account of the liabilities of the Corporation as guarantors of bonds."

Why was not such a report made to the Stockholders?

Ans. The report was then drafted, and the gentleman who offered the motion, when informed that such was the case, and that most of his wishes were complied with, appeared satisfied, and subsequently signed and published the report.

The vote was offered just as the Board was adjourning, and I had the impression that it did not pass, but was withdrawn.

Those liabilities were stated at large in our report of 1848.

Int. 123. Did not the report of 1848, contain statements in regard to the prospects and condition of the Corporation, which the facts would not fully warrant?

Ans. The report of 1848, estimated the business of the succeeding year as promising to exceed $300,000. The business of the preceding year had been about $223,000. The income was but $275,000, in round numbers, having been reduced by four causes not anticipated to operate upon it, viz:—the depression of trade, which greatly affected the business done in connection with the Fall River Railroad and Steamers; the steam boat competition at Hingham; the interruption of the gravel trade; and the cholera.

I am not aware that the condition of the line was not correctly stat-

ed, with the exception of the two errors to which I have alluded, which do not exceed twelve hundred dollars. We are liable, in such extended business, and with officers poorly paid, to some errors. Last year the Fall River Railroad, in their annual report, accidentally overstated their income about ten thousand dollars, and detected it this year.

I believe that our line has lost nothing by the errors referred to. I endeavored to make as good a statement as the case would admit, for we had heavy debts to fund. But I was very anxious to state nothing inaccurately.

Int. 124. Have not the reports of the Directors to the Stockholders, for the last two years, been based too much upon flattering and illusive hopes, and too little upon a strict analysis of the books of the Corporation?

Ans. A more close adherence to the books would not, I think, materially have varied the reports, as the errors detected would but slightly vary the result.

The year which has passed, has, I believe, disappointed the expectation of all Railroad men. With respect to Railroads, it has been an anomaly—at variance with their history to this date. And my experience for the year has been at variance with my experience in the Western and Fitchburg, with which I have been long connected as Director. The progress that I had seen in these, made me feel it my duty to give what cheer I consistently could to the Stockholders, who were about to meet the pressure of a heavy debt.

Int. 125. Was the table on the last page of the report prepared by you, and is it correct? If incorrect, state the inaccuracies.

Ans. It was the report of the Conductor, Mr. Taylor. I believe it was correct in point of numbers, but he has not allowed for the package tickets. As our bills for November are not payable until December tenth, we have not sufficient time to take account of stock, and to prepare, revise, and print, the report and statistics, before our meeting in December.

Int. 126. Have not the unsettled and shifting policy in the direction of the road, and the large and continued purchases of real estate for its use, which has never been occupied nor disposed of before other purchases were made for some other scheme, been great causes of loss to the Corporation?

Ans. Undoubtedly they have.

Int. 127. In making up your Reserved Fund for 1849, did you estimate, or take into consideration, the profit or loss on the Samoset House, for the year?

Ans. I had hoped, until I wrote the report, that there would be a profit. While writing it, it was reported that there would be none, but no loss was reported. The bills of repairs, and additions to the furniture, &c., of the house, paid for during the year, have swelled our expenses.

Int. 128. Do you think it proper to charge to Construction account, the balance of loss which might happen to the Corporation on account of the business of the Samoset House for any one year?

Ans. No.

Int. 129. Do you think it proper to charge to Construction account the repairs of the Samoset House?

Ans. No.

Int. 130. Do you think it proper to charge to Construction account the cost of additions to the House and appurtenances, when, with those additions, the value of the property is known to be not so great as the amount already charged to that account?

Ans. I would not venture to decide, without the particular facts.

Int. 131. Was the iron for the second track, inspected before it was bought? If so, by whom?

Ans. When I went to England, with Mr. Crocker, to buy the Fitchburg Rails, I satisfied myself that an English inspection was of no value. I requested Mr. Moore, the Superintendent, on the arrival of this iron, to employ Mr. Glidden of Charlestown, who had examined some iron, to inspect this, if he deemed it expedient. When it arrived, I was suffering from the casuality which befel me in Pennsylvania, and incompetent to attend to duty. I subsequently understood from Mr. Moore, that he had himself seen to the iron, and did not consider a further inspection necessary.

Int. 132. Was not fault found with the quality of the rails before they were laid?

Ans. Not to my recollection. If I had heard fault found, I should at once have written to England on the subject, as I have once before made a reclamation on an English house, with success, for delay in shipment. On the contrary, the iron looked so well, and Mr. Moore expressed himself so well pleased with the track, that I mentioned, in a letter to Bayley, Brothers & Co., that their iron appeared better than that of Thompson & Foreman's. We preferred it, also, on the Fitchburg Railroad.

Int. 133. Was the quality of the Fitchburg iron the same as that purchased by you for us?

Ans. We bought for the Fitchburg road, four thousand tons in 1843,—one-half of Bayley & Brothers, and one-half of Thompson & Foreman. I heard, on the Fitchburg line, a preference expressed for the iron of Bayley & Brothers, but I have not compared the rails.

Int. 134. When did you first hear objections made to the quality of the iron purchased by you for our second track? Is it your opinion that you could obtain a reclamation from Bayley & Brothers, on account of the poor quality of the iron?

Ans. I have, since the frost came out, last spring, heard that some rails had failed, on the second track, and I have heard of some rails failing during the season. I have not yet heard sufficient to cause any serious alarm; and I am at present undecided how far the failure may be ascribed to the wear, while raising the road from the sub-grade at which it was laid; from the wear of gravel engine and trains; or from the settling on the marshes. Should the iron prove in itself deficient, I think we may obtain some redress from Bayley & Brothers. I await, with some interest, the report of the gentleman who is looking at our rails, having myself, suggested an examination to the Committee.

Int. 135. Will you please state particularly, what discounts or loans you have made to the Old Colony Railroad Corporation?

Ans. The sums furnished were, as stated in my answers to your interrogatories, numbered 74 and 75, and they were furnished as follows;—seven thousand dollars on the eighteenth of January 1849, and five thousand dollars on the seventh of April, 1849.

Int. 136. Will you please point out the negotiation by which you procured upwards of sixty-seven thousand dollars on your personal responsibility?

Ans. On further reflection, I think the amount was, in the aggregate, seventy-four thousand dollars, viz: fifteen thousand dollars at the Suffolk Bank at six *per cent;* ten thousand dollars borrowed of the Boston, Concord and Montreal Railroad Corporation, as before stated; twelve thousand dollars as stated in answer to your interrogatories, numbered 74 and 75; and thirty-seven thousand dollars negotiated in New York, where I married and am known,—the same having been negotiated through the agency of Mr. Hunnewell in Wall street, at less than Boston rates, with my endorsement, signed "E. H. Derby, President."

On one of these I was notified as endorser. I knew not who the parties were, that discounted them, but think the rate was eight to nine *per cent.*

Int. 137. Were all the notes, except the twelve thousand dollars, endorsed "E. H. Derby, President of the Old Colony Railroad Corporation?"

Ans. I considered myself liable as endorser, although I attached the term "President" to my name, and was so notified, when one laid over in New York, from the failure of the money to arrive in season. I think my endorsement was absolute, on the others. At all events I agreed to be responsible for their payment.

Int. 138. Will you please state, if the interest on the notes outstanding against the Company on the thirtieth day of November, 1849, was taken into consideration, in your report of the liabilities of the Company?

Ans. It is not particularised in Mr. Fletcher's return, on which the report was drawn; and I must refer to him for the fact. Very few of our notes are written on interest; and I could not then have stated, from recollection, that any outstanding note was on interest.

I learn from Mr. Fletcher, to-day, that a few hundred dollars of interest had accrued on some of those notes.

Int. 139. Were you aware, before to day, that your report was inaccurate, in not stating the amount of interest money owing?

Ans. I had no such information. And I was not aware of any such fact, before my attention was drawn to the subject this morning, nor am I now aware, that there may not be interest sufficient to offset it, omitted. I am informed that there is some such interest, and, it is possible, a little rent also. There must, also, be several hundred dollars of interest due to us from Evans, which has been omitted. Probably there is little difference.

I think that the rent accruing, and the interest due to us, not speci-

fied in the report, will more than balance the interest which is omitted. I have requested the Treasurer to make up a statement, and submit it to you.

(Feb. 15th.) I annex two reports from the Treasurer, confirming my opinion on these points. (*See* D, [*E. H. D,*] *at conclusion of Mr. Derby's evidence.*)

Int. 140. Did you before preparing your report, ask the Treasurer for an account of the interest due from the Company, as well as that due to the Company, on debts receivable and payable? Will you please give to the Committee, in detail, the Interest account of the Company up to November 30, 1849?

Ans. I did not, according to my recollection, ask for either. I asked him to give me the amount of income, in his report. His report did include interest paid. I will furnish such statement.

(Feb. 15th.) It is annexed. (*See* E, [*E. H. D,*] *at conclusion of Mr. Derby's evidence.*)

Int. 141. Should not the interest or rent accrued and collectable, but not collected on the thirtieth day of November, 1849, be deducted from the Reserved Fund?

Ans. Not if there is interest, or rent accrued and collectable, but not collected, sufficient to balance it.

Int. 142. When did you first deem it necessary to create the last issue of new stock, which was issued at seventy-five dollars per share?

Ans. From June 15th to a period late in August, I was suffering from an accident and a slow fever, or recovering therefrom. The subject was discussed soon after I came out, and was debated until our December meeting. The time was most unpropitious, and we were not able to issue shares enough to cover the debt, from the limit to our capital.

I think we had bonds printed in November, 1848; but we found little or no demand. I made propositions to Brown Brothers, to the Massachusetts Hospital Life Insurance Company, to the Provident Institution for Savings, and to others, for a large loan. I offered, for our Board to take Massachusetts or City fives, in exchange, for our bonds, but could not effect an exchange.

Int. 143. Did you, or did you not sell fifty-six shares of your stock, in the latter part of the year 1848, in contemplation of, or knowing that there would be an issue of stock at seventy-five dollars per share?

Ans. I sold some shares in the fall, or latter part of 1848, because I was in want of funds, but not in contemplation of an issue of stock at seventy-five dollars. I had not, at that time, come to the conclusion that we should make such an issue. I think we did not decide upon it, until some time afterwards. When I took the shares I sold, I did not intend to hold them permanently. I believe I have not sold any shares since our annual meeting in 1848.

Int. 144. Have you ever been engaged individually, or with any other persons, in speculating in the stock or bonds of this Corporation? Do you know of any who have been engaged in this business?

Ans. I have not been engaged in any such Company. When I took my stock, it was principally of the first issue, not taken by

Stockholders at ninety dollars, and I put down my name, with others, for what was left. But no one else had any interest with me. I know not who have formed such Companies.

Int. 145. Have you allowed to delinquent subscribers for the bonds of the Old Colony Railroad Company, additional time to take the same?

Ans. I think not. Some power was given to the Finance Committee, to recognise some equitable claims, soon after the issue, which they exercised together. This was to a very limited extent, and I think the principal cases were those of parties who did not get the notice in season. I think in the case of Mr. Mixter, who was out of the city, indulgence was granted until the return of mail; but, in the interim, his friend, Mr. Howe, took the stock in his behalf.

Int. 146. Have you prepared statements for newspapers, in regard to the condition and prospects of the Corporation, or have you dictated articles to any editor or editors of papers, since you have been President?

Ans. I am frequently called upon by editors of newspapers, for information as to Railroads of this State, including our own, because I am supposed to have a more general acquaintance with the subject than others. I have occasionally given them the earnings of the line. I have, also, in several papers, replied to attacks on the Railroad, and, particularly, to attacks upon the gate, and the exhibition of season tickets, and to the comments on our last Annual Report.

My duties in this Railroad have required my attendance, principally, at this end of the line. But, between the winter of 1848, when I became President, and the winter of 1849, I was several times in Plymouth. I think, three or four times. I was, also, repeatedly, on the branches, and spent much time between Boston and Braintree, where the great body of our business is transacted.

I have considered myself called upon, sometimes, to defend the Road when attacked.

Int. 147. Will you please state your objections in respect to the purchase of wood at Plymouth, and what loss, if any, has, in your opinion, resulted to the Company, from the purchase of wood by Messrs. Hedge and Sever?

Ans. I do not think that the Railroad has sustained any material loss by the purchases made by Col. Sever. The wood purchased by him has usually been of fair quality and price. With respect to the wood purchased at Plymouth, by a Committee, I think there has been a loss on it, of many thousands of dollars; that the wood has been, to a large extent, inferior, refuse, and unmerchantable. For my views on this subject, I would refer to my Report to the Directors, made last summer, and on file, and to my letter in reply to the questions of one of the Committee, under date of February 1st, 1850.

Int. 148. Have you authorised any servant of the Company, to receive, for the joint freight on the Old Colony and Fall River Railroads, less than the tariff rate?

Ans. I think that the Fall River Railroad and the Cape Cod Railroad Companies, have undertaken to make some special contracts

at Wareham, to carry certain articles, such as coal and iron, at rates a little below the general tariff. They claim the right to do so, and, I believe, have adopted these rules to prevent shipments being made by water.

I have authorised none of our agents to make such contracts, and consider it an open question, whether our Board will assent to these rates, or claim more than the *pro rata* proportion.

I think that the rates are one dollar and forty, to one dollar and sixty cents per ton, which are not far out of the way. The rate by water is about one dollar per ton.

The collections are made by the Fall River Railroad Company, and our part is presented to us, according to their computation, in settling. The passenger accounts, in settling with them for through tickets to New York, bring a balance in our favor.

Int. 149. What is the system adopted by the Old Colony Railroad Company, for receiving moneys derived from freight and passengers?

Ans. The collections on the business done in connection with the Fall River and Cape Cod Railroads, are made under our contract with them, as follows: The collections on freight are made by their agents exclusively; on passengers, by their agents at the other end of the line, and by ours at this end. The accounts are compared and settled by our Treasurer, and the freight lists are examined by our Boston Freight Master. As respects the exclusive business of our line and branches—the price of tickets, and money for freight bills are collected by our agents, and come under the supervision of our Superintendent, and his subordinate clerks.

Int. 150. Is there any check upon the accounts or receipts of the Superintendent, and Treasurer?

Ans. I know of no check on the Superintendent and Treasurer, other than the supervision, by myself, of the returns from week to week; occasional inspections I make of the books, at the stations and Boston Ticket Office, where full records are kept; and such further examination as is made by the Committee on Accounts.

For some time past, I have been of opinion that a better system could be introduced, and I requested Mr. Carter, a Civil Engineer, who has travelled in England the past summer, to procure full information as to the best English system. He has essayed to do so, and a party is now employed by him to procure the necessary details.

Int. 151. Is there any check upon the Freight Master at South Boston, or on the one on the Fall River Railroad?

Ans. I know of none except the examination of the Superintendent, and a very general examination of the business by myself. A check exists in the books at the way stations, where every item of freight received and forwarded is to be entered. How closely the comparison is made must be learned from the Superintendent. It is his province to supervise that department.

As respects the Fall River freight, a transcript is given to Mr. Merriam, and he has access to the entries of the Fall River Railroad Company here.

Int. 152. Is it your opinion, that the accounts of the machine shop should be so made up, that the product would equal the sums paid for labor and materials, after making allowance for the interest on the investment?

Ans. I do not think such to be the practice of the New England Railroads; nor do I think it would conform to the laws of Massachusetts, which call for the *actual* cost of repairs—not such cost with a profit on buildings added.

Int. 153. What *per cent.*, in your judgment, should be the difference between the amount paid for labor and materials in the machine shop, and the product of the same?

Ans. Very many articles are charged to machine shop, which go, partly to repairs and partly to construction. The young clerk who keeps the time of the men, is required by the Superintendent, to charge the items to each engine, to road, to depots, and freight, gravel, and passenger cars. With respect to many articles, such as fuel used, some kinds of labor, waste of materials, and other things, he finds it very difficult to make these specific charges. So that in this shop, as in other machine shops, a portion of these expenses, not specifically charged, are apportioned. The Superintendent informs me that this amount is larger this year, in consequence of his having been obliged to employ the clerk, a part of the season, in the freight house.

I think there is no general rule for such cases. This is the department of the Superintendent.

Int. 154. What is your opinion in regard to the necessity of having a Superintendent for the machine shop, as well as another for the carpenter's department?

Ans. The experience of some other roads, has led me to think that two Superintendents were necessary; but, for the time being, we are endeavoring to make one suffice. With a good foreman of the carpenters, I think we may succeed. I consider the experiment worth trying.

Int. 155. In what respect, if any, is the system of the management of the machine shop defective? If the system is defective, what are the reasons therefor, and how, in your opinion, can it be corrected?

Ans. The main defect to which my attention has been drawn, is now, in part, remedied. The foreman of the carpenters, Mr. Lovejoy, was, in my opinion, an unsuitable foreman; inefficient, and, as I considered, inattentive. His subordinates were not, in my opinion, selected with judgment, and I thought he did not buy skilfully. If I remember right, my attention was first drawn to him by an attempt, on his part, to secure a debt for some one, by buying something for us from another person. I was told that he was found reading a newspaper in the shop, and once asleep. I wished to discharge him, but Mr. Moore objected, and the Board did not sustain me. He has now retired. He left on the last of January. I think that the President should have more power as to discharging such persons. I think, too, that no one should take the clerk from his duties, without consulting the President, and I think a better mode of buying the small articles might be adopted.

As respects the past, I will refer to a report which I had prepared last summer, to read to the Board, in relation to Mr. Brown's account, which I discontinued. It had amounted to seven hundred and eighty four dollars a year.

EXTRACTS FROM THE PROPOSED REPORT,

[*Which was not, however, presented to the Board.*]

"OLD COLONY RAILROAD CO.,

DIRECTORS' MEETING, Sept., 1849.

"The President submits the following Report:—At the last meeting of the Board, Mr. Hedge, from the Committee on Retrenchment, submitted an informal report adverse to the change in the head of the carpenter's department, and reduction of wages recommended by the President. Mr. Hedge, in the course of his remarks, informed the Board that "the expenses of the machine shop were swelled by the action of the President, in stopping a running account of $200 a year with Mr. Brown of South Boston, who had supplied the machine shop with many small articles." It becomes my duty to place the facts before the Board.

"Early in the year I was directed by the Board to examine and criticise all the monthly accounts, before payment, and several instances were discovered, in which changes could be made with great advantage. Among other accounts subjected to my eye, was the account of B. B. Brown against the Company, amounting, not to $200 a year, but $784.74, for less than a year. Upon criticising this account for several months, I found that Mr. Brown was a dealer at his retail store, in a great variety of articles, such as oil, wicks, sponge, groceries, emery-cloth, files, rivets, lead, spikes, buckets, and screws; that a large part of the supplies of the Corporation were drawn from a retail shop—a practice questionable upon its face. Upon further examination, I found several articles which seemed to me to be charged at unreasonable prices. Sperm oil, for instance, in January last, as high as $1.33, and whale oil at 65 cents, cash, per gallon, and no less than forty-nine gallons purchased in one month. The prices were from seven to twenty cents per gallon above the rates charged by other dealers, including Mr. Hedge.

"In a previous bill I found, also, wrought spikes charged at $6 per cask, a price greatly above the fair value, as I have bought the same article for $4.50, and common spikes at $3.75 per cask. I have also ascertained, from wholesale dealers that the other articles were charged proportionately high—for instance, 14 inch files, a size for which wholesale dealers charge $4.75 per dozen, were charged at $5.50 and $5.75; 10 inch second cut files, worth at larger stores $3.12½ per dozen, were charged at $4 per dozen; round 14 inch files worth $5.37½ per dozen, were charged at $6.75 per dozen; while the charge for emery, and emery-cloth, and some other articles, ordered several times a month, and which might well be purchased by the quantity, was from 30 to 40 *per cent.* above the prices of the dealers with whom we now trade.

"To illustrate the disadvantage of the trade—the article of emery-

cloth, in lots of one to three quires, was purchased no less than eight times in three months, at the store of Mr. Brown, at a rate of 25 *per cent.* above the price per ream. If a ream is thus used in three or four months, as is apparent from the bills, the propriety of buying by the ream must be apparent. These unreasonable charges had, doubtless, escaped the eye of our Superintendent, who had approved the bills before they were submitted to me.

"After requesting Mr. Brown to reduce his charges, without success, I felt it my duty to the Stockholders to discontinue the account, and directed the Superintendent to do so.

"Having subsequently found the account still open, I made, on the March bill, the following endorsement: "Having directed a discontinuance of this account for previous overcharges, I decline approving this bill, and return the same to the Superintendent." Thus ended the account, a conclusion, in my opinion, most beneficial to the Company, presenting, as it has done, large purchases at high retail rates, and giving to the Company a discount, or credit, on their large purchases.

"Let me further add, that I am more particular on these points as the President of the Company, while making the reforms and improvements expected by the Stockholders, and in pursuing what is often an irksome duty, requires the countenance, confidence, and encouragement of the Board of Directors."

Int. 156. Will you please explain the first paragraph, at the top of the 14th page of the printed report of the Directors to the Stockholders for the year 1849? Will you please send in to the Committee an exact statement of the items from the Company's books, of the Reserved Fund?

Ans. In our report of December, 1848, the balance of Income was found to be $14,141.59, and the report stated that $8000 of this is carried to Reserved Fund, and the residue to Interest. When the next report was to be filled up, I received from the Treasurer a written statement, in which the reserve or balance of income on the books was stated below $8000. I asked for the explanation, and he stated that $591.72 was excess of interest over estimate, paid to Dorchester and Milton Railroad. This was then deducted, and the balance stated in the new report as the income reserved the previous year.

Int. 157. Do you think the dividend declared in December, 1848, of three and a half *per cent.* was proper, in view of the floating debt of $509,000, and the debit to Interest account of $72,728.53, which then existed?

Ans. I thought at the time, taking all the facts of the case into view, that it was our duty to divide; and I have not yet changed my opinion. I believe that the success of our Massachusetts Railroad system has been owing to the appropriation of Income to Dividends, instead of Construction, and that the great depression and misfortunes of the great Baltimore and Ohio line, have been owing to the opposite policy. I considered last year, that by railroad usage, we had a right to charge the cost of raising funds to Construction; but this year, the

road being finished, we had no such right, and after paying interest, the residue was insufficient to make proper reserve and customary dividend.

Int. 158. Could the expenses of the road repairs, in your opinion, be diminished from what they were during the year 1849?

Ans. At the commencement of the year, I satisfied myself that the force engaged on road repairs was too great, and after examining the force employed on the Fitchburg, and elsewhere, I came to the conclusion that ours could be reduced. The Superintendent made some objections, and at a meeting of the Board the subject was taken from me, and referred to a Committee, and subsequently to a second Committee, of which I am not a member.

I have continued, however, monthly, to discuss the subject with the Superintendent, and would refer you to the endorsements on the monthly pay rolls, for my efforts. He has gradually given way, and the force now has been reduced from, I think, over sixty, to forty. I think the Committee have not acted.

Int. 159. Have you been prevented from efficiently discharging your duties as the chief executive of the Company, by the action of the Directors, or other officers of the Company? If so, please state how, and to what extent. Please state, also, your views, in regard to the proper duties of the President and Directors, respectively.

Ans. I was satisfied, soon after my admission into the Board, from the election of Mr. Crocker, that I had not their cordial support, and I have regretted that I did not resign forthwith.

I have been much impeded in the management of the line by the action of the Board, in the creation of numerous committees of many of which I have been a member; in the loss of valuable time, in getting these committees together, and communicating facts,—I think I have thus lost very many hours.

I have been impeded in increasing our capital; in reducing the expenses of the machine shop; the cost of purchases in changing the mode of buying wood; in conciliating business; reducing the pay of firemen; and not feeling myself sustained by the Board, in some of the measures I have adopted, I have not pursued others which I should otherwise have adopted. If I could have had more power, I think I could have increased the net income for 1849, very materially.

From my connection, as Director, for fifteen years past, in Railroads and Steam Boat Companies, I am well satisfied that there should be an efficient and responsible head to every railroad company, to conduct the executive business, and report to the Board of Directors. That he should have power to direct the purchases, repairs of stations, advertising, &c.; to discharge subordinate officers and employees, and have a voice in their appointment; and decide all minor questions, adjust all claims under five hundred dollars, arrange details with connecting railroads, approve bills; and direct the institution of suits; and with similar executive duties. That he should have power to modify rates to meet competition; and that his powers should be defined by

the Board of Directors, or the By-laws of the Company. I believe, too, that he should be authorised to call on subordinate officers for full and frequent reports; and receive an adequate compensation for his services.

I think that the duties of the Board should be principally to act as an advising and legislative body; that they should decide the important questions that come before them as a Board; watch and criticise the Treasurer's books and accounts. As auditors, by committees, they will thus, too, form a check on the executive. I think that any road must suffer, which is managed by committees.

(Signed) ELIAS HASKETT DERBY.

A, [*E. H. D.*]

Referred to in E. H. Derby's Answer to Interrogatory, No. 46.

Receipts and Expenses for one year, ending November 30, 1848.

EXPENSES.		RECEIPTS.	
Road Repairs,	12,500.96	Passenger Receipts,	150,703.26
Depot Expenses,	5,664.65	Freight,	53,756.96
Damages,	774.25	Rents,	1,870.97
Passenger Expenses,	9,366.77	Mails,	175.00
Freight do.	10,136.47	Gravel, &c.,	15,848.31
Machine Shop,	28,663.17	Sundries due Company, but not received and entered on books,	4,995.77
Running Expenses,	20,976.65		
Wood and Oil,	30,582.98		227,350.27
Taxes and Insurance,	2,833.99		
Switchmen,	1,209.32		
	122,709.21		
Paid Dividend 3½ *per cent.*	48,461.51	Balance,	2,536.55
" Dorchester and Milton,	2,250.00	Surplus on hand,	11,605.05
3 *per cent.* assumed,	48,393.00		
D. and Milton, do	3,000.00	Present surplus,	$14,141.60
	$224,813.00		

B, [*E. H. D.*]

Referred to in Interrogatory No. 60 *to E. H. Derby.*

Items originally charged to Expense Account, but afterwards transferred and charged to Construction Account.

1847		
Dec. 15.	Paid Worcester Railroad for one-half expense of reference,	62.42
1848		
Jan. 24.	Paid C. T. & T. H. Russell, law fees,	350.00
" 25.	" J. H. Loud, for services,	35.50
	Amount carried forward,	$447.92

	Amount brought forward,		$447.92
Feb. 17.	Paid discount on draft on New York,	1.00	
	" advertising to J. A. Green,	4.00	
	" J. D. Eaton, Engineer,	3.46	
	" for billets,	6.50	
			14.96
" 18.	" for printing circulars,		13.00
March	" N. P. Fletcher, for copying deeds,		10.00
" 31.	" W. S. Russell, for recording "		4.18
Aug. 25.	" for Daily Atlas,		4.00
Oct. 13.	" for Boston Courier,		5.25
——	Charged to Construction account, Nov. 1848,		499.31
1848			
Dec. 19.	Paid Damrell & Moore for printing,		15.00
	" J. & D. Morton, setting out trees,		15.00
1849			
Jan. 11.	" Daily Advertiser,		4.50
Feb. 3.	" Weymouth & Braintree Ins. Co.	$750	For setting fire to lumber at Neponset. 8025.00
	" W. H. Chamberlin,	2025	
	" Manufacturer's Insurance Co.	5000	
April 16.	" Norfolk Insurance Co.	250	
" 27.	" Damrell & Moore, printing,		18.00
May 3.	" Recording deeds,		2.75
	Charged to Construction Account in 1849,		8080.25

C, [*E. H. D.*]

Referred to in Interrogatory No. 61, *to E. H. Derby.*

1849		
May 9.	J. H. Bufford for lithographic plans,	100.25
Feb. 10.	C. T. & T. H. Russell, appearing before the Legislature in behalf of the Forbes petition,	50.00
"	E. H. Derby, (on account) advocating Forbes petition,	250.00
Oct. 1.	E. H. Derby, " " (balance)	50.64
Aug. 4.	Shattuck & Emerson, work on bath house at Plymouth,	36.00
March 21.	J. H. Sampson, expenses to Cape Cod to get signers to Forbes petition,	10.00
Nov. 30.	Gravelling and filling up at South Boston,	2460.00
		2956.89

D, [*E. H. D.*]

Referred to in answer to Interrogatory No. 139, *in Mr. Derby's Evidence.*

Sundries due the Old Colony Railroad Corporation, Dec. 1, 1849.

		Int. not taken into account Dec. 1, '49.	Taken into ac't Dec. 1, '49
Wright, Barker & Co., note, June 21, 1849, dm'd,	446.62	11.82	
Ellis & Mayo, note, Dec. 27, 1848, demand,	2,700.00	149.85	
Ira Warren, note, demand, worthless, - -	81.89		
Charles A. Wood, note, Nov. 1, 1847, demand, -	95.25	11.90	
Thomas R. Sewall, 40 shares Old Colony Stock as collateral, Sept. 14, 1849, demand, - -	3,000.00	38.00	
Thomas R Sewall, 14 shares Old Colony Stock as collateral, Oct. 12, 1849, demand, - -	1,082.82	8.65	
F. K. Bartlett, note, March, 1847, (6 months int. paid,) - - - - - -	14,183.63		2,487.24 less 6 mos int. en'd.
R. Rhoades, mortgage note bal. Interest discounted for payment, - - - -	300.00		
James French, due Dec. 13, 1849, no interest, -	613.00		
F. Alger, due Dec. 24, 1849, - - -	1,486.18		
B. W. Foster, Treas., due Jan. 8, 1850, - -	1,526.76		
W. Evans, balance of account, - - -	3,713.46	say 150.00	
City of Boston, - - - - -	1,886.44		
Sundry accounts for Rent, - - - -	919.15		
Boston City Mission Society, - - -	833.33		
Post Office Department, - - -	700.00		
N. Ward & Co., - - - - -	1,005.52		
Due on Stock, - - - - -	8,390.00	209.70	
Due on Bonds, - - - - -	195.00	4.87	
Rents due at South Boston, - - -	100.00	100.00	
Rents due at Kingston, - - - -	20.00	20.00	
L. Rideout, for Derrick, - - -	70.00	70.00	
W. J. Walker, on old Stock, - - -		220.28	
T. G. Coffin, on old Stock, 10 shares, $800 due,		192.00	
Advances on Policies of Insurance, for December, 1849, and onward :—			
4 months on Policy No. 742,	see file,	29.75	
8 " " " 465,	"	8.33	
8 " " " 374,	"	8.33	
8 " " " 32,	"	16.66	
1 " " " 68,	"	1.50	
2 " " " 291,	"	20.00	
2 " " " 40,	"	10.29	
2 " " " 195,	"	7.50	
2 " " " 283,	"	7.50	
2 " " " 336,	"	7.50	
1½ " " " 1075,	"	3.00	
2 " " " 349,	"	20.00	
11 " " " 5931,	"	55.00	
2 " " " 206,	"	20.00	
4 " " " 16,	"	29.75	
Amount carried forward,		$1,432.18	

					Int. not taken into account Dec. 1, '49.
			Amount brought forward,		$1,432.18
4	months	on	Policy No. 278, 1172,	on file,	46.66
4	"	"	" 398,	"	80.00
6	"	"	" 186,	"	72.50
11	"	"	"46109,	"	41.25
4	"	"	" 137, 321, 249,	"	172.50
6	"	"	" 101, 177, 176,	"	122.50
4	"	"	" 17,	"	10.66
6	"	"	" 106, 207,	"	60.00
					$2,038.25

GEO. N. FLETCHER, *Treasurer.*

E, [*E. H. D.*]

Referred to in answer to Interrogatory No. 140, *in Mr. Derby's Evidence.*

Liabilities of the Old Colony Railroad Corporation, Dec. 1, 1849.

			Int. not taken into account Dec. 1, 1849.
Note to Sally Keith, Aug. 12, 1848, due,	1,000.00		17.50
Boston Bank, Dec. 7, 1848, demand, - -	10,000.00		
Mass. Hospital Life Insurance Co. - -	2,700.00	3 mo. 18 ds.	48.60
Boston Bank, April 7, 1849, - - -	5,000.00		
N. Tolman, May 10, 1849, - - - -	2,100.00		70.00
7 Notes our order given for gravel, June 30, 1849,	11,277.46		281.92
J. Folsom, - - - - - - -	595.44		31.46
Seth Wilmarth, Aug. 12, 1849, - - -	1,900.00		
Seth Wilmarth, Aug. 15, 1849, - - -	1,900.00		
Ira Greenwood, January 9, 1849, - - -	1,000.00		28.50
Plymouth Bank, April 27, 1849, - - -	5,700.00		
I. N. Stoddard, June 2, 1849, - - -	3,200.00		
I. N. Stoddard, June 2, 1849, - - -	4,200.00		
		50,572.90	
South Shore Railroad, - - - - -		3,259.92	
Fall River Railroad, - - - - -		6,595.57	
Unpaid Dividends, - - - - -		2,486.96	
			$ 477.98

This am't. carried to
GEO. N. FLETCHER, *Treasurer.*

EXAMINATION OF URIEL CROCKER,

Director of the Old Colony Railroad Corporation.

MONDAY, FEBRUARY 4, 1850.

Interrogatory 1. Are you a Stockholder in the Old Colony Railroad Corporation, and if so, what amount of stock do you own in said Company?

Answer. I own one hundred and sixty five shares, but represent a larger number.*

Int. 2. How long have you been a Stockholder, or interested in the stock of the Corporation?

Ans. From the commencement. I subscribed originally for fifty shares, which I have always kept.

Int. 3. Have you held any office in the Company. If so, what was it, and how long did you hold it?

Ans. I have been a Director from the commencement, and still am. I was Treasurer for a short time after Mr. Gilmore resigned—for one or two months, in October and November, 1846.

Int. 4. Have you been a member of the Finance Committee? If so, how long, and what were your duties?

Ans. I have been a member of the Finance Committee for the last three years. The duties were not particularly specified;—they were to provide ways and means for the Corporation. When Mr. Quincy was Chairman of the Finance Committee, he conducted the financial affairs of the Corporation.

Int. 5. What are the duties of the Treasurer of the Corporation?

Ans. To keep the books, collect the assessments, and pay the bills;—and other duties as specified in the by-laws.

Int. 6. Have the negotiations for loans been made by the Finance Committee, or the Treasurer?

Ans. They have been done by both. Mr. Quincy effected loans, when Chairman of the Finance Committee, in connection with the Treasurer. Mr. Derby, Mr. Hunnewell, and myself, have since effected loans in connection with the Treasurer. The principal loans were negotiated through Willis & Co., P. P. F. Degrand, Head & Perkins, and other brokers—we taking money at the lowest rates at which we could procure it.

Int. 7. What has been the usual rate of interest paid by the Company, while you have served as one of the Finance Committee?

Ans. From one, to one and a quarter *per cent.* per month.

Int. 8. What arrangement, if any, was made with the Plymouth Bank, for loaning money to the Corporation?

Ans. I never made, or knew of any arrangement having been made, with them.

* The Committee do not find that any shares stand in the name of Uriel Crocker, though 120 shares stand, (Feb. 1850,) in the name of Crocker & Brewster, of which firm Mr. Crocker is a member.

Int. 9. Were the loans made by the Plymouth Bank, (I. N. Stoddard, Cashier,) made at more than six *per cent.*? If so, what was the rate?

Ans. My impression is that they were made through brokers.

Int. 10. Have you been a member of the Committee on the Treasurer's books and accounts? If so, how long?

Ans. I was on the Committee for two or three years previous to the last two.

Int. 11. Have the books and accounts of the Treasurer been kept in a manner satisfactory to you?

Ans. There has been a looseness about them. They have not been kept in so clear a manner as I should have desired.

Int 12. If the Treasurer's system of book-keeping was not satisfactory, why did not the Directors have it changed?

Ans. The subject has been before the Board, and before the Stockholders: and the Stockholders appointed a Committee to examine the manner in which the books and accounts were kept, who submitted them to Messrs. Lovering aad Davis—by whom they were examined and approved.

Int. 13. As a member of the Finance Committee or Committee on Accounts, have you examined the settlement of the Treasurer's cash-account, at the close of the month, or at any other time?

Ans. I have examined his trial-balance, but not his cash-account.

Int. 14. Did he keep a cash-book, and did his cash-account balance?

Ans. He kept a cash-book. All I have looked at was the trial-balance.

Int. 15. Did you approve of his paying the bills against the Company, in Bank-bills, or cash from his drawer?

Ans. I did not disapprove of it.

Int. 16. Did the Company get any advantage, by any arrangement with any Bank, to circulate its bills?

Ans. Not to my knowledge.

Int. 17. Should you probably have known of such an arrangement, if there had been one?

Ans. I think I might.

Int. 18. Have you ever received extra interest from the Old Colony Railroad Company, either directly or indirectly?

Ans. I have not.

Int. 19. Have you ever been connected with any company for the purpose of speculating in the stock of the Old Colony Railroad Corporation?

Ans. I may have agreed to take some shares, which may have been considered as on speculation.

Int. 20. Did you not, with Mr. Degrand, Mr. Carruth, and others, form a company for the purpose of buying Old Colony Railroad stock?

Ans. I think I might have had something to do with Mr. Carruth, the particulars of which I cannot now recollect.

Int. 21. Do you know of Josiah Quincy, Jr. being interested, while

a Director, in speculating in the stock of the Company? If so, what do you know?

Ans. I might have known it, but cannot state with certainty.

Int. 22. Why was not new stock issued in 1847, to pay the floating debt of four hundred and fifty-two thousand dollars?

Ans. The subject was brought before the Board, the latter part of 1847, and certain votes were submitted for consideration, to make new stock at ninety dollars per share. They were referred over, from one meeting to another, and then, on motion of Mr. Quincy, referred to the new Board. Mr. Quincy thought it was not advisable to create new stock just at the end of the year, as it was not certain who would be Directors for the coming year. In the fore-part, or summer, of the year 1847, we talked over, in the Board of Directors, the subject of creating new stock to pay off the floating debt, but Mr. Quincy objected to the creation of new stock; and said that he, as Chairman of the Finance Committee, would furnish what money the Company might want, if we would let him alone. And accordingly we did not create new stock, till we found, at the end of the year, that the Corporation had been, and was, paying higher than the usual rate of interest; and so we concluded, and thought it advisable, to bring forward the votes above mentioned.

Int. 23. Did you know, at the time Mr. Quincy objected to the creation of new stock, that he was speculating in the Company's stock?

Ans. I could not answer that question with certainty.

Int. 24. Was the Treasurer, or any one else, authorised by the Directors to grant a credit, or accommodation (beyond the terms of subscription for the new stock,) to any subscriber? If so, to whom, and for how long?

Ans. The Committee did grant extensions;—to whom, I do not recollect.

Int. 25. Were all the bonds subscribed for and issued, paid for, according to the terms contained in the printed circular?

Ans. I cannot say, but presume they were.

Int. 26. Did you advise giving J. Quincy Jr., a bond of the Corporation, in the sum of two hundred thousand dollars, to cover any liability he might incur for the Corporation? If so, why?

Ans. He said he should have to endorse, individually, the notes of the Corporation, and he wished to be indemnified from any loss.

Int. 27. What rate of interest did you propose giving J. Quincy, Jr., for the money which he procured for the Company, as financial agent?

Ans. We did not expect to pay more than simple interest. He was to receive a compensation, as financial agent, of one thousand dollars per annum, and he promised to provide all the funds we wanted, at six *per cent.*; and his account, when rendered, was not acceptable to the Directors, nor readily approved, when we found that more than six *per cent.* had been paid for money. When Mr. Quincy asked for the bond—if my memory serves me—he stated that he wished to take

funds, or might take funds, of the Western Railroad Corporation, of which he was Treasurer, and he wished to be secured.

Int. 28. What amount of money, and for how long, did Mr. Quincy loan the Old Colony Railroad Corporation in 1848, and at what rate of interest?

Ans. I did not know of any accommodation being received through Mr. Quincy. My impression is, that early in 1848, when Mr. Quincy retired as Treasurer of the Western Railroad, the Old Colony Railroad was called upon to make up the hundred thousand dollars, which he had borrowed of the Western Railroad for the Old Colony; and, as I understood, the accommodation we received was through Mr. Gilmore. He went to Albany and Springfield, and procured such money as would enable him to allow a part of the loan of the Old Colony to remain.

Int. 29. Did you consider the dividend of three and a half *per cent.* declared in December, 1848, prudent, in view of the floating debt of $509,463.51, and an interest account of $72,728.53?

Ans. There was a good deal of discussion about it in the Board, but who opposed it I do not recollect. It did not meet my approbation.

Int. 30. Did you advocate the guaranteeing, by the Old Colony Railroad Corporation, of thirty thousand dollars of bonds of the Dorchester and Milton Branch Railroad Company, without consideration, and without a mortgage of that road, or other security?

Ans. I always supposed that we were to have a mortgage of the road, though it seems that I was at the meeting when we agreed to guarantee these bonds without requiring security.

Int. 31. Why was this done?

Ans. The Directors of that road represented that they had got subscriptions for about seventy-five thousand dollars, and they wished about thirty thousand dollars more, to complete the road. I supposed that we were to have security; I took it for granted that we were to have a mortgage of the Road. It seems that we received no security.

Int. 32. Were you a Stockholder in the Dorchester and Milton Branch Railroad?

Ans. Yes, Sir. I subscribed for five shares.

Int. 33. Has the Finance Committee ever instructed the Treasurer, to make entries in his books for the purpose of concealing the transactions?

Ans. No, Sir.

Int. 34. Are you a Stockholder in the Fall River Railroad Company?

Ans. I am not and never was.

Int. 35. Are you, or were you, ever, an owner of stock, or bonds, in the South Shore Railroad?

Ans, I am not—and never have been.

Int. 36. Are you an owner of Dorchester and Milton Branch Railroad bonds?

Ans. I am not.

Int. 37. Are you a Stockholder in the South Cove Corporation?

Ans. I am, and have been from the commencement;—and the Directors of the Old Colony Railroad Company, as well as

those of the South Cove Corporation, have always known of my interest in both Companies.

Int. 38. Why were estates purchased between Beach and Kneeland streets? Who purchased them?

Ans. We wished to come up on to Beach street, because the Worcester Railroad did. The estates were purchased by different persons—Francis Jackson, Mr. Mayo, and myself.

Int. 39. Was it one of the conditions of the purchase of these estates, that the mortgages on them should be paid at once, in cash? If so, to whom were these mortgages paid?

Ans. It was not, Sir. I could not tell, exactly, to whom the mortgages were paid. Crocker & Brewster had one of them, and Dr. Walker had one or two, and the mortgages were subsequently paid by the Corporation. Crocker & Brewster took their pay in stock of the Corporation, at par, which they now hold.

Int. 40. At any time, since the purchase of those estates, could they have been sold for their cost?

Ans. I cannot tell.

Int. 41. Were you in favor of changing the present location of the depot on the South Cove, to the foot of Pearl street?

Ans. I was not only not in favor of it, but was opposed to it; because we had just removed from the Worcester depot, and located ourselves in our present position on Kneeland street, at a great expense. And I thought it best "to let well enough alone." The vote, for the application to the Legislature, to change the location, was passed after two o'clock, and after I had left the Board. The vote referred to, was passed on the 23rd day of February, 1848. It was an application to the Legislature for a branch road from Dorchester, through South Boston, over the flats, to some point near the foot of Pearl, or Summer street.

Int. 42. What amount of money was voted to prosecute the application before the Legislature?

Ans. On the first day of December, 1848, the sum of five hundred dollars was appropriated to pay the expenses attending the application in February preceding. I was not at this meeting. At the same meeting, the salary of the President was fixed—including all his services. Subsequently to the passage of these votes, the President of the Company applied to the Treasurer, and received the balance of the five hundred dollars—after paying for the lithographic plans, and fifty dollars paid to Mr. Russell. I disapproved, and so did other members of the Board of Directors, of Mr. Derby's receiving the said balance—for the Committee on Salaries considered that the sum, recommended by them as his salary, was to be in full for all his services rendered to the Corporation.

Int. 43. Has any Director received a commission, either directly or indirectly, for purchases made on account of the Corporation?

Ans. Not to my knowledge.

Int. 45. Will you please state what amount of time and trouble was expended by the servants of the Company, in prosecuting the petition before the Legislature, for removing the depot to Pearl street?

Ans. The Superintendent and Engineer devoted a great deal of time in drawing plans and making estimates, and in appearing before the Committee of the Legislature; and one or more of the Conductors were employed, in procuring signatures in aid of this petition of John M. Forbes and others. Mr. Derby directed all this business.

Int. 45. Were there, at any time, more shares issued by the Treasurer, when you were on the Committee on Finance, to Mr. Quincy, or others, as collateral, than were created, at the time, by the Company?

Ans. Not to my knowledge.

Int. 46. Why did you vote for the payment of a dividend, at a meeting of the Directors, June 26, 1849—payable in July, 1849?

Ans. After we had looked into affairs, Mr. Quincy sent us a letter, stating that he would give up the interest on his new stock, provided we would omit the usual July dividend—which looked as though he was willing to relinquish considerable to the Old Colony Railroad Corporation. But, on investigating it, I found that he, Mr. Quincy, would be benefitted in the end, and I therefore thought that it would be more equitable to the holders of the old stock, to make a dividend. The new stock would be entitled to about one *per cent.* interest, whereas the old stock, if a dividend were declared, would receive three *per cent.* dividend; and by Mr. Quincy's proposition, the holders of the old stock would be the losers, and he the gainer, by several hundred dollars.

Int. 47. Were you Chairman of the Committee for building a Hotel in Plymouth, and furnishing the same?

Ans. Yes, Sir.

Int. 48. How often did the Committee on the Hotel report to the Directors, its disbursements?

Ans. I should think yearly.

Int. 49. Do the Treasurer's books exhibit the whole cost of the Hotel and furnishing?

Ans. I presume they do.

Int. 50. Did you approve all the bills for the construction of the Hotel?

Ans. I approved many of them.

Int. 51. Has the Committee ever made a report to the Directors, of the cost of the Plymouth Hotel, and of furnishing the same? Why has it not been done?

Ans. It has been stated, from time to time, in the reports, but I don't know that a full report of the cost has ever been made. If the Committee has not done it, it is because it has not been called upon.

Int. 52. Can you state the cost of the Hotel?

Ans. I cannot. I know it was about fifty thousand dollars.

Int. 53. Were you in favor of building the Samoset House, on account of the Corporation?

Ans. Yes, I was.

Int. 55. Why was the sum of seven thousand dollars, paid for the first purchase of land for the site of the Hotel, and the sum of six

hundred dollars paid for the second purchase, placed to the debit of Land and Damages, instead of to the Hotel?

Ans. I suppose it was carried to Land and Damages account, because it was land purchased for the Corporation; and it was not transferred to the Hotel, when the Hotel account was opened on the books.

Int. 55. Why were four bowling alleys, costing six hundred dollars, (the bill approved by you,) charged to Construction account?

Ans. I never knew that they were. I am sure that it ought not to be so.

Int. 56. Did you make the contract with Mr. Bolles for bowling alleys, at a cost of six hundred dollars?

Ans. I cannot tell exactly, now. I had something to do with it. I don't know as I exactly made the contract.

Int. 57. Did you make the contract for building the Hotel? If not, who did?

Ans. It was made by the Committee. I was one. The Committee engaged Mr. Bond to draw the plans of a Hotel, and Mr. Jonathan Preston to make the contracts for building the same, and he was to have a commission for doing it. The Committee, from time to time, visited and inspected the building. We were always told that it would not cost more than the estimate.

Int. 58. Did the Committee feel authorised to exceed, by the sum of ten thousand dollars, or more, the amount appropriated by the Stockholders, for the building and furnishing the Hotel?

Ans. The Committee conferred with the Directors, and was advised by them to go ahead and finish the Hotel.

Int. 59. Have you been one of the Committee for conducting the same, since it has been opened?

Ans. Yes, Sir.

Int. 60. Has the Hotel been conducted according to your direction since?

Ans. Yes. I presume it has.

Int. 61. Had the Building Committee of the Hotel authority to purchase boats?

Ans. I presume they had. They purchased one.

Int. 62. Did you make the printed regulations for the bowling-saloons, and for the Samoset House?

Ans. I did not.

Int. 63. Do you think that the Samoset House has been conducted on principles of the most judicious economy, for the interest of the Road?

Ans. The House was kept better than the United States Hotel in this city, or the Astor House in New York. Many good judges said it was the best kept house they ever stopped at. I suppose it would be better to keep it more economically, in future.

Int. 64. What did you understand to be the terms of the contract between the Old Colony Railroad and the Dorchester and Milton Branch Railroad, when it was made? Which Corporation did you

understand to have the option of renewing the contract, from the expiration of five years from its date, for five additional years?

Ans. My impression was that the Old Colony Railroad Corporation had the option, and not the Dorchester and Milton Branch. And I always supposed that the contract was so made, until recently.

EXAMINATION OF JOHN SEVER,

Director of the Old Colony Railroad.

FRIDAY, FEBRUARY 15, 1850.

Interrogatory 1. How long have you been a Director of the Old Colony Railroad Corporation? What offices have you held in said Company?

Answer. Since the commencement. When the Corporation was organised, I was made President. I was President during all the building of the road, and while it was running, for a while.

Int. 2. What compensation did you receive as President?

Ans. I received three dollars a day, as President, and my expenses paid.

Int. 3. Have you received any compensation, or perquisites, from the Company, besides what you have stated?

Ans. Nothing. Except when I have been a Director, and have been on special business, I have received three dollars a day.

Int. 4. Who was Treasurer while you were President?

Ans. Mr. Gilmore, I think all the time, until Mr. Carruth was chosen President.

Int. 5. Have you examined the Treasurer's books of accounts, and been acquainted, while you have been a Director, with his method of keeping the Company's books?

Ans. The rule was, when I was President of the Road, to give me the trial balance every month; which I examined, to see how matters stood. I have not kept a supervision of the Treasurer's books. I was dissatisfied with the manner in which they were kept, and Mr. Hunnewell, Mr. Hayward, and myself, were appointed a Committee to examine them. I was not satisfied with its not appearing on the books, the rate of interest paid, and to whom it was paid. When I found that they were paying extra interest, it came like a thunderclap to me, and at the first meeting we had, after I heard of it, I brought it before the Board.

Mr. Quincy was Chairman of the Finance Committee, and was paid $1000 *per annum*. I don't know to whom the extra interest was paid. I think Mr. Quincy told us there would be no trouble in get-

ting money. I think that he said at five *per cent.* I think that Mr. Carruth, or Mr. Quincy, borrowed a hundred thousand dollars of the Northern Railroad at four *per cent.* per annum, but I don't know how much the Old Colony Railroad Company paid for it. We borrowed it, however, of them, under an agreement not to pay more than four *per cent.*, and the Northern Railroad did not get more than four *per cent.*

I have never been on the Finance Committee, and never have received more than six *per cent.* interest, neither in the shape of exchange, bonus, commission, nor extra interest.

Int. 6. Have you known of any Director receiving extra interest or commission, on loans to the Corporation?

Ans. I have not known it. By report I have heard that Mr. Derby has received extra interest.

Int. 7. While President, did you examine the Treasurer's accounts?

Ans. I did not. There was a Committee to do that.

Int. 8. Have you, as Director, examined the accounts of the Corporation, at stated times; or has any Director?

Ans. We always had a Committee on Accounts, and a Finance Committee, and every month the accounts were examined by them.

Int. 9. Have the Committees for such examination attended to their duties, and reported, at stated times, to the Directors, the situation of the Company's accounts?

Ans. The rule was, every month, when I was President, to have the trial-balance given to me. But after I went out, I never saw it. I think that there was such a connection in the office between Messrs. Carruth, Fletcher, and others, that I don't think the accounts were returned to the President. After I retired from being President, there was a Finance Committee appointed, to attend to these affairs.

Int. 10. Was the Finance Committee entrusted with the supervision of the Treasurer's books and accounts?

Ans. A separate Committee examined his accounts. Mr. Hunnewell, Mr. Hayward and myself, were this Committee. But I, living in the country; and Mr. Hunnewell going to New York; and Mr. Hayward busy, we could never meet together; and, finally, I abandoned it, altogether.

Int. 11. How often was this Committee required to examine the accounts, and report?

Ans. Every month.

Int. 12. Did they fulfil their duties, and report monthly?

Ans. I think they did, but I have some doubt about it.

Int. 13. How often, do you think the Committee on Accounts, during the last three years, have reported to the Board? Have they reported monthly?

Ans. I could not tell. Yet they have done so, several times. I think that they have not reported monthly.

Int. 14. When the contracts were made with the Fall River, the South Shore, and the Dorchester and Milton Roads, did you own stock in those roads, or had you subscribed for any?

Ans. I never owned a dollar in the Fall River Railroad, and do

not own a dollar in either of the other two roads; but I may have owned some stock in them when the contracts were made. I am uncertain of the fact.

Int. 15. Were you in favor of making the contracts with those roads?

Ans. No. I always opposed them.

Int. 16. Why did the Old Colony Railroad Company endorse thirty thousand dollars of bonds, for the Dorchester and Milton Branch Railroad without security?

Ans. I think it was the most foolish thing the Corporation ever did. Mr. Quincy, Mr. Crocker, and Mr. Hedge, were appointed a Committee to visit the Dorchester and Milton Road, and they reported favorably of it, and advised that we should assist in building it. It is a dead weight upon us.

Int. 17. Were you in favor of building a branch from South Abington to Bridgewater.

Ans. When that vote was passed, I was President of the Road, and it was a unanimous vote of the Stockholders, that the road should be built. The Directors did not recommend it to the Stockholders, except Mr. Loud.

Int. 18. Were you in favor of building the Plymouth Hotel?

Ans. No, Sir. I always opposed it. That was done by the Stockholders. The Directors, as a Board, are not answerable for that. All that was voted, was forty thousand dollars, and they spent rising fifty thousand dollars.

Int. 19. Do you think that the Hotel has been managed with judicious economy for the interests of the Corporation?

Ans. I never was inside of it ten times in my life. And do not know any thing about the management of it.

Int. 20. Has inferior wood been purchased at the Plymouth end of the Road for the Corporation? If so, why was it done, and who did it?

Ans. They bought wood that I would not buy. I never would buy wood measured on the cart. It should always be measured on the ground. The fault with the wood at Plymouth, was not on account of its quality, but on account of the bad measurement of it. It was measured on the cart, instead of upon the ground. I refer to the report of experiments, which Mr. Moore and I made, for a more full answer to the question.

Int. 21. Do you think that the Company has lost money, by purchasing wood at Plymouth?

Ans. No. In 1848 we were burning green wood, and I made a practice of going on the engine, to see how the wood burned. Then we bought some wood at Plymouth and Kingston, for which we gave an extra price, because, with this green wood, we could not make time. That is the only time we ever paid an extra price for wood.

It is Mr. Derby's opinion that eastern spruce and hemlock wood, should be used. This wood is green, and before it is used it must be piled a year and a half, on a wharf in Boston. It costs forty-six cents per cord to pile it, besides the wharfage.

My opinion is that wood should be bought at different places, as we want it; that it should be dry, cleft wood, when bought, and should be measured on the ground, and not in a cart.

I refer to the report on wood, above named, for a further answer.

Int. 22. Are you acquainted with the system which has been adopted by the Treasurer, in keeping his books?

Ans. No, I am not. I am totally ignorant of it.

Int. 23. Were you in favor of changing the location of the depot, to the foot of Pearl street?

Ans. I was not in favor of it. Mr. Derby was. It may do, one hundred years hence. But it would not do now.

Int. 24. Has the President, in your opinion, given as much attention to the interests of the road, as the chief executive officer of the Corporation should give?

Ans. As a matter of conscience, if I am obliged to answer it, I should say, that I think he has not.

Int. 25. Has the President, in your opinion, sufficient practical knowledge to be at the head of the Old Colony Railroad Corporation?

Ans. I should think not. If I was going to employ a man to get a charter from the Legislature, I should employ Mr. Derby. But I should not vote for Mr. Derby for President, nor should I vote for him for a Director.

Int. 26. In what respect, has the President shown a delinquency, or shown himself incapable, while you have been in the direction?

Ans. He has no practical knowledge; the least of any man I ever knew. He says he is worth $5000 per annum, and does not work for us more than to come to $1500. He shows a want of tact and good judgment, in dealing with the men, and he has neglected the interests of the Company. He has told me, repeatedly, that he would not work for more than he was paid for.

Int. 27. Has the Superintendent given as much attention to the interests of the Company, as he should have given?

Ans. I do not think he has. I think he is the best man for the arrangement of trains, that ever was. But I think that he is too extravagant, and I have told him so.

Int. 28. If you wish to make any explanation of your course as Director, the Committee would be pleased to have your statement.

Ans. When I have been on Committees with Mr. Derby, the Committees were never called together, and I was never consulted by him. Mr. Derby complained, at the last Stockholders' meeting, of the road being managed by Committees. There were one hundred and twenty-two Committees appointed, and he was Chairman of ninety-eight; and of the other twenty-four, there was only one important Committee, and that was the Committee on the South Shore Railroad, with respect to the fares, when Mr. Derby wished to have the fares too low.

Int. 29. Will you please explain why the lease of the Dorchester and Milton Railroad was made, giving the option to that Company to extend their lease for five years after the first term had expired?

Ans. My impression is, that, at the time the contract was read to the Directors, before it was signed, it was read exactly the reverse, in respect to giving the Dorchester and Milton Railroad the option to renew the lease.

I should be willing to swear, that it was read—that the Old Colony Railroad should have the option of renewing the lease, instead of the Dorchester and Milton Railroad. Mr. Carruth submitted the lease, and he was authorised to execute it, on behalf of the Old Colony Railroad Corporation. And I never knew that it was otherwise, until within a month.

Int. 30. Do you think that the Corporation has an actual Reserved Fund on hand?

Ans. No. I do not. I think it ought to be charged to Depreciation.

Int. 31. Were you in favor of charging to Construction account, the amount of loss, $8025, which occurred by fire at Neponset?

Ans. No, Sir. I opposed it as hard as I could.

EXAMINATION OF J. L. HEDGE,

Director of the Old Colony Railroad.

THURSDAY, FEBRUARY 7, 1850.

Interrogatory 1. How long have you been a Director of the Old Colony Railroad?

Answer Since it was incorporated.

Int. 2. What compensation have the Directors received for their services?

Ans. The first year the understanding was, that they should be allowed three dollars per day for the time actually employed, and their expenses. Since then, the Directors have had, but occasionally, a *per diem* allowance.

Int. 3. What compensation have you received?

Ans. I have received this allowance, when on the Investigating Committee on Accounts, and when on particular business for the Company. We are in the habit of charging all expenses, when attending meetings of the Directors.

Int. 4. Have you had any perquisites, as Director?

Ans. Nothing of the kind, excepting a free ticket for myself and family, over the Road. The families had a free ticket, until last year. Since then, the free tickets have been confined to the wives and child-

ren of the Directors. I have had a free ticket on the Boston and Worcester, on the Fall River, and on the Cape Cod Railroads, for myself and family, and a free pass to New York. Those roads sent us tickets, and we exchanged with them.

Int. 5. Have you bought the wood, for the Old Colony Railroad Company? If so, to what amount?

Ans. Yes, Sir. A good deal of it; I cannot tell to what amount. During the year 1848, about five thousand cords, and during the year 1849, about thirty-five hundred cords. I bought wood before that, but do not recollect what quantity. In 1847, I think about fifteen hundred cords. During the year before, a very small quantity.

Int. 6. What part of the wood which you have bought for the Old Colony Railroad Company, have you bought of yourself, personally? State as near as you can.

Ans. I cannot tell. I never kept an account of it. I have cut wood every year; sometimes from three hundred to five hundred cords, of which I have sold some to the Old Colony Railroad Company. I should think that I had bought, of my own wood, seven or eight hundred cords for the use of the Road.

The bills might show four or five hundred cords of wood in my name, as purchased of me, when I acted merely as agent for the Corporation.

Int. 7. Who has fixed the price at which you have sold wood to the Corporation?

Ans. I have fixed it myself. I charged the same as I gave others, for the same quality wood.

Int. 8. Of whom have you bought wood for the Corporation, principally?

Ans. Last year of forty individuals. I have bought more of F. B. Cobb, than of any one else. And I have bought largely of George Whiting, and Henry Whiting, David Manter, and Mr. Sherman,—from ten cords up to one thousand. I believe that last year and this, I bought one thousand cords each year of Mr. Cobb.

Int. 9. What part of the wood furnished by those individuals, or others, was cut on wood-land sold to them by you, or your family relations?

Ans. Mr. Cobb bought some land of my sisters; David Manter bought some of Judge Warren's wife, who is my sister. I cut my wood from land I had from my father.

Int. 10. Did they buy this wood-land, with any agreement, or understanding with you, that they should sell the wood to the Old Colony Railroad Company?

Ans. No, Sir. It was never thought of.

Int. 11. Do you know on what terms and conditions of payment, Messrs. Cobb and Manter bought the wood-land from your sisters?

Ans. They gave part money, and part notes. But no condition connected with the selling of the wood to the Old Colony Railroad Corporation.

Int. 12. What was the quality of the wood, purchased of yourself,

and of Messrs. Cobb, and Manter, last year, compared with that bought and used at the present time, by the Corporation?

Ans. The quality of that bought, and brought in this year, is better on an average, than it was last year. It is worth twenty-five to fifty cents a cord more, and we do not pay so much for the wood as we did last year—about fifty cents a cord less.

Int. 13. What prices have you given for the best quality of wood, and what prices for the poorest?

Ans. Of the best quality of pitch-pine, I have bought 3500 cords this year, and have given four dollars, for about four hundred cords. For the next best, some of which was as good as the four dollar wood, I have given three dollars and seventy-five cents. I have given three dollars and fifty cents for some, and for some three dollars and a quarter. For oak wood, I have given four dollars and seventy-five cents to four dollars and fifty cents. Some maple, four dollars, and white pine two dollars and seventy-five cents. The very lowest I have given for pitch-pine is three dollars and twenty-five cents.

Int. 14. Have you bought any of the wood referred to in your last answer, of yourself? If so, how much have you so bought, and sold to the Railroad?

Ans. Yes, Sir. I charged four dollars and three quarters for the oak, and three dollars and three quarters for the pine. It has been all selected merchantable wood, and I gave instructions to the teamster, not to bring any other. I am carting wood of my own all the time. One hundred and fifteen cords of pine, and seventy-six of oak, is all the wood I have sold to the Company this year, of my own. I mean by this year's purchase of wood, that which was purchased in 1849.

The wood which is bought in Boston, is delivered, and paid for at the time it is bought. The wood bought in Plymouth, is not generally paid for until till six or eight months after it is bought. The Eastern wood, which is bought in Boston, must be seasoned before it is used, though it is paid for when bought. The Plymouth wood is seasoned, and ready for use when delivered, and before it is paid for.

Int. 15. What system of measurement is adopted in the purchase of wood at Plymouth?

Ans. It is measured on the cart. That is the custom. But if either party is not satisfied, we range it on the ground and measure it.

Int. 16. Have you received any commission, or made any charge, for the purchase of wood, at any time, for the Old Colony Railroad Company?

Ans. No, Sir.

Int. 17. How long have you been Chairman of the Committee on the Samoset House?

Ans. I was chairman last year?

Int. 18. What was the agreement made with Mr. Stetson? Was the House leased to him, he carrying it on at his own expense, or did he keep it on account of the Old Colony Railroad Corporation?

Ans. My impression is that we agreed to give him half the prof-

its. He kept it on his own account, and he was to pay all the bills, and credit all the receipts; and the profits were to be equally divided.

Int. 19. Was there an inventory made of the furniture and other personal property in the House; and did Mr. Stetson give a receipt for the same when he took it?

Ans. I don't remember.

Int. 20. At the expiration of Mr. Stetson's lease, did the schedule of furniture, and other personal property, in the Samoset House, compare with the inventory made at the commencement?

Ans. After Mr. Stetson left, I went in and took an inventory of all the furniture, plate, crockery, glass, &c. &c. I found a few things marked with Stetson's name. Mrs. Lawrence said that a few things belonging to the House, were missing, and that these were left in place of them. Some few tea spoons were missing, and some things were broken. The tea spoons have all been found since.

Int. 21. What amount was received from, or paid to Mr. Stetson, during his lease?

Ans. He paid us a thousand dollars the first year, and nothing the last year.

Int. 22. Was there a written lease, or agreement, made with Mr. Stetson?

Ans. I believe not?

Int. 23. Were there any debts, or liabilities, left unsettled by Mr. Stetson, for which the Corporation was held responsible?

Ans. Not that I know of.

Int. 24. Did you examine the accounts of Mr. Stetson, at the expiration of each year during his lease, or at the time he left the premises?

Ans. Yes, Sir. The Committee all together examined the accounts, and settled up with him, at the end of the year.

Int. 25. Who occupied the House after Mr. Stetson left?

Ans. Messrs. Parker & Tribou.

Int. 26. Was the House leased to them, or was it managed by them, on account of the Corporation?

Ans. We made an arrangement with Parker & Tribou, that they should pay five hundred dollars a year, to the Corporation; and after that, the earnings were to be divided equally.

Int. 27. Was the Old Colony Railroad Corporation responsible for the contracts, and purchases, made for the House, by Parker & Tribou?

Ans. Not that I had any idea of.

Int. 28. Were they to receive, or to take money from the receipts of the House, for their individual use, to be charged to them, in their individual accounts?

Ans. There was no agreement or understanding about it. They have had some money, and charged themselves with what they had. They have not repaid the Corporation.

Int. 29. Was an inventory made of the furniture, and a receipt given for the same, when Parker & Tribou took the House?

Ans. There was an inventory taken, and I think that they saw it. But they gave no receipt for the furniture.

Int. 30. Were there any debts against the House, or against Parker & Tribou, for supplies, on the 1st of December, 1849? If so, what?

Ans. Yes, Sir. There were debts against the House, at the close of last year. The debts, up to October, 1849, will appear on the last leaf of their leger.

Int. 31. There appears, on the books, a debt against Parker & Tribou, of a balance of $598.60. Have they sufficient property to pay it?

Ans. They have got nothing, to my knowledge.

Int. 32. If the Corporation is liable for the debts due, for supplies to the Samoset House, and Parker & Tribou, on account of the House, why were not these facts reported to the Stockholders?

Ans. I never did suppose that the Corporation was liable.

Int. 33. What do you estimate to be the cost of the Samoset House?

Ans. I never heard. I understood, the other day, that the first purchase of the land, for the House, was never charged to the House.

Int. 34. Can you explain why the entry of $7600, for land-site of the Samoset House, was charged to the account of Land Damages, and not to the House?

Ans. No, Sir. I did not know that it was.

Int. 35. Why were not the unpaid bills of E. A. Boardman, and of Parker & Hall, sent to the Committee with the other bills which have been paid?

Ans. I do not know.

Int. 36. Have any articles been added, from the earnings of the Hotel, to replace those destroyed and paid for?

Ans. I should think not. The articles which were broken by the boarders, were paid for by the boarders, and credited to the earnings of the Hotel.

Int. 37. Are you President of the Plymouth Bank?

Ans. Yes, Sir.

Int. 38. Have Messrs. Parker & Tribou, or either of them, borrowed money of the Plymouth Bank, upon the credit of the Old Colony Railroad?

Ans. No, Sir.

Int. 39. Was there any reason why the transactions between the Old Colony Railroad Corporation and the Plymouth Bank, should not be entered, in full, on the books of the Old Colony Railroad Company?

Ans. Not to my knowledge.

Int. 40. Did the Plymouth Bank make any arrangement with the Old Colony Railroad Corporation, or with its Treasurer, in respect to borrowing money?

Ans. Not to my knowledge. The Cashier does pretty much all the business, with regard to loans; and his doings are examined by a Committee once a week. The President is one of this Committee. Since I have been President of the Bank, I have exerted myself to increase the circulation of the bills, and have let Mr. Fletcher, Treasurer of the Old Colony Railroad, have bills, and have kept his check

for a week. The Cashier has been instructed by the Directors, never to take more than legal interest.

Int. 41. Do you know of any accommodation, at your Bank, which Mr. Fletcher, the Treasurer, has personally received?

Ans. No, Sir. I do not remember any.

Int. 42. Were the loans made by the Plymouth Bank, (Stoddard, Cashier,) made at more than six *per cent?* If so, what was the rate?

Ans. Not that I know of. I do not think he got more than six *per cent.* He may have got something in the shape of exchange.

Int. 43. Should you have seen, by your weekly examinations of the discounts made by the Cashier of the Plymouth Bank, what discounts had been made for the Old Colony Railroad Company, and the rate of interest at which those discounts were made?

Ans. No. I never looked at the amount of the discount. We looked at the names, and trusted to the Cashier, in regard to the rate being lawful.

Int. 44. Did you not feel any curiosity, at these examinations, to see what discount the Plymouth Bank received for the Old Colony Railroad paper?

Ans. No, Sir.

Int. 45. Should you approve of extra interest being received for account of your Bank, from the Old Colony Railroad Corporation?

Ans. No, Sir. I had an idea that the Old Colony Railroad Company had a good deal of money, of the Plymouth Bank, which it never paid any interest for; that is, we kept its checks, for circulating our bills.

Int. 46. Have you examined the Books of the Treasurer of the Old Colony Railroad, from time to time?

Ans. I have, previous to this year; principally with a view to see that his vouchers agreed with his charges, and that his accounts were cast right, and posted to the leger right.

Int. 47. Did you examine his cash account?

Ans. I examined all his accounts.

Int. 48. Did he keep a cash-book, and did his cash account balance?

Ans. I always saw that his accounts balanced, and that the entries corresponded with the bills.

Int. 49. Did you see if his cash balance corresponded with the cash in the Bank and drawer?

Ans. No, Sir.

Int. 50. Did you know that the Treasurer mingled his private cash with that of the Corporation?

Ans. I did not.

Int. 51. Did you ever know of the Treasurer paying a private note, or bill, with his check as Treasurer of the Corporation?

Ans. Not that I know of.

Int. 52. Have you been one of the Committee on the Samoset House, and Chairman thereof, for conducting it, since it has been opened?

Ans. Yes, Sir. I believe that, last year, my name was first on the Committee; and, being on the spot, I have had more to do with it than the others.

Int. 53. Has the Hotel been conducted in a manner approved of by you, since its opening?

Ans. Generally it has. I have supposed it essential to keep a first class Hotel.

Int. 54. Do you think that the Samoset House has been conducted on principles of the most judicious economy for the interests of the Road?

Ans. I think that some persons would have economised more, and perhaps have done as well. I am convinced, that it is of no use to keep the house open, unless it is kept in the best manner.

Int. 55. Was Mr. P. P. F. Degrand authorised, by the Board of Directors, to purchase rights of the Old Colony Railroad, for account of the Corporation?

Ans. My impression is, that he was—once. It was done, I think, by order of the Finance Committee. I recollect something of the kind.

Int. 56. What was the arrangement between Mr. Josiah Quincy, Jr., and the Old Colony Railroad Company, in respect to his acting as Chairman of the Finance Committee, under a salary?

Ans. He agreed to be Chairman of that Committee for one thousand dollars a year, and to procure what money we wanted.

Int. 57. Why was not new stock issued, in 1847, to pay the floating debt of four hundred and fifty-two thousand dollars?

Ans. I cannot tell. The year before Mr. Thomas resigned, he offered a resolution to create new stock, and some of the Directors were in favor of it; and some opposed doing it at that time. Mr. Quincy, and others, thought best to defer it, until the new Board came in.

Int. 58. Did you consider the dividend of three and a half *per cent.*, declared in December, 1848, prudent, in view of the floating debt of $509,463.51, and an interest account of $72,728.53?

Ans. I did not. I voted against it.

Int. 59. Did you advocate, or approve, of the guaranteeing, by the Old Colony Railroad Company, of $30,000 bonds of the Dorchester and Milton Branch Railroad Company, without consideration, and without a mortgage of the Road, or other security?

Ans. I suppose I did.

Int. 60. Are you a Stockholder in the Dorchester and Milton Branch Railroad?

Ans. I own two shares.

Int. 61. Are you a Stockholder in the Fall River Railroad?

Ans. No, Sir.

Int. 62. Did you sign the annual report of the Directors of the Old Colony Railroad, to the Stockholders for 1848?

Ans. I did.

Int. 63. What was the Reserved Fund of $8000, spoken of in that report, invested in?

Ans. It was invested in the construction of the road. It was the balance of the Income account, after deducting expenses.

Int. 64. Was the balance paid to Mr. Stetson, for conducting the Samoset House, $125.00
George Simmons, for filling ice house, 47.00
W. J. & W. Drew, for work on bowling alleys and bath house at Plymouth, 178.91
John Washburn, stove and pipe, &c. 136.48
W. B. Fribble, oil and labor at ice house, 12.94
Savery & Morton, labor setting glass, &c. 14.85
E. Robbins, repairing engine house and chimnies, 5.38
J. Braman, for swimming drawers, 23.64
Playing cards, 7.00
Two cows, 80.00
properly chargeable to Construction account of the Old Colony Railroad Corporation, in your opinion?

Ans. No. Sir.

Int. 65. Will you explain why $2489.24, being compound interest on a note due from F. K. Bartlett, dated March 6, 1847, for $14,183.63, was carried to the following accounts;

1849 Dec. 1. Reserved Fund account, 1,545.37
Income account, 943.87

only $425.50 interest having been received on said note, and the last named sum having been before carried to the credit of Interest account?

Ans. I don't know any thing about it. I suppose it was credited, by order of the President.

Int. 66. What have been the duties, which have devolved upon the President, and Superintendent, respectively, since you have been in the direction of the Company?

Ans. The President of a Road, is one of the Directors, and President of the Corporation, according to the By-laws. I suppose, that both the President and the Superintendent, directed to what accounts bills should be carried. The President has the general supervision of the Road, and the Superintendent takes his directions from the President. The President sees that the wishes of the Directors are executed.

Int. 67. Has the President, in your opinion, given as much attention to the interests of the road, while you have been in the direction, as the chief executive officer of the Corporation should give?

Ans. No. I don't think he has; for the President should give his whole time to the interests of the Road and should have no other business. A Railroad should be managed in the same manner as a man would manage his private affairs. And unless the whole time of a competent person, who is at the head of a Company, is given to the Road, the Road cannot be profitably or properly managed.

Int. 68. Has the President, with the Treasurer and Directors, been able to make up the deficiency in the management of the road,

which existed, from the President not being able to devote his time to the interests of the Corporation?

Ans. Certainly not. I think that one head is better than a dozen. I mean one head for action.

Int. 69. Have you felt, while you have been in the direction of the Road, that the affairs of the Corporation were not properly managed?

Ans. I have, at times, thought that they were not?

Int. 70. Do you think that the annual reports, since you have been in the direction, have, fairly and faithfully, exhibited the situation of the Company's affairs to the Stockholders?

Ans. No, Sir. I don't think they have. I think they have been deceptive in some respects.

Int. 71. In what respects have they been deceptive?

Ans. I think that the accounts have been made up wrong, by carrying things to wrong accounts, and that false hopes have been held out to the Stockholders. Many things have been charged to Construction, which should have gone to Expense account, for the purpose of showing more income than we really earned.

Int. 72. To what reports do you particularly allude?

Ans. None in particular. I think it has been the case, in nearly all the reports.

Int. 73. How long is it, since your attention has been particularly called to the errors in the character of the reports?

Ans. I never thought much about it, until the last year.

Int. 74. Why was the sum of $8,025, for damages in burning up lumber at Neponset, carried to Construction account?

Ans. Because it was supposed to have been set on fire, by an engine, in gravelling the road. I think this was carried improperly to Construction account.

Int. 75. Were you in favor of changing the present location of the depot, in South Cove, to the foot of Pearl street?

Ans. No, Sir. I was decidedly opposed to it. I was asked, by Mr. Derby, to sign a petition in favor of it, and to go to the Legislature, but I declined doing so.

Int. 76. If you were not in favor of the change of the location, who of the Directors were?

Ans. I do not think that any of them were, excepting Mr. Derby and Mr. Thomas.

Int. 77. Were there, at any time, more shares issued by the Treasurer, to Mr. Quincy and others, as collateral, than were actually created, and existed at the time?

Ans. My impression is very indistinct. I should not be surprised if it were so. I have no knowledge on the subject.

Int. 78. Did any Director of the Old Colony Railroad, propose to abandon the building of the Abington Branch?

Ans. Not that I remember. It might have been so.

Int. 79. Did not Mr. Carruth, propose a plan, for the abandonment of the Abington Branch?

Ans. Not to my recollection.

Int. 80. Did you object to the building of the depot, at Northville, on the Abington and Bridgewater Branch?

Ans. I thought that there was no necessity of having one.

Int. 81. Was there any objection made, by the Directors, to the large outlay for depot purposes, on that branch?

Ans. Yes, Sir. Col. Sever, I think, was opposed to the building of the depot at Northville.

Int. 82. Do you think it advantageous for the Corporation to run the trains on the Abington and Bridgewater Branch, as they are run at present?

Ans. I think it is a saving to the Corporation, running them as they now run, because they do not run half as many as heretofore.

Int. 83. Do the receipts on the Bridgewater and Abington Branch, pay for the expense of running the trains?

Ans. My impression is, that they do not.

Int. 84. Why then, is it advantageous to continue the trains?

Ans. I don't know that it is advantageous to run these trains, though there is a great deal of travel that we get on the Old Colony Road, which we should not get, if the Bridgewater Branch was not run. So far as income goes, it is not profitable, however, to the whole road, to run the Bridgewater Branch.

WEDNESDAY, FEBRUARY 20, 1850.

Int. 85. What did you understand were the terms of the contract, between the Old Colony Railroad Corporation, and the Dorchester and Milton Branch Railroad, when the contract was made?

Ans. I was disappointed, and surprised, when I heard, the other day what the contract was. I thought we were to have the option to renew the lease, and not that the option was given to the Dorchester and Milton Road.

EXAMINATION OF J. H. LOUD,

Director and Clerk of the Old Colony Railroad.

FRIDAY, FEBRUARY 8, 1850.

Interrogatory 1. How long have you been Director, and Clerk of the Old Colony Railroad Corporation; and what compensation have you received therefor?

Answer. I have been Clerk of the Old Colony Railroad Corporation, and of the Directors, ever since the organisation of the Company. I have also been one of the Directors, for the same period of time.

Prior to the year 1849, I received, as Clerk, an annual salary of fifty dollars. In consequence of the labor imposed on the Clerk, by law, of making a return to the Assessors of each town, of the names of the Stockholders, and the amount of stock owned by each resident in said town, which had been considerably augmented by the increase of capital, the Directors voted that the salary of the Clerk, for 1849, should be sixty dollars; which sum is now due to me.

While the Road was in process of construction, and until the trains commenced running, the compensation of the Directors was fixed at three dollars per day, for each day employed in the business of the Corporation, by order of the President, or by vote of the Board, and the expenses during that period. I was occasionally employed, either by direction of the President, or a vote of the Board, in obtaining deeds of land for right of way, and for time devoted to the business of the Corporation, at the rate of three dollars per day, for each day so spent, and my actual expenses. I was not employed, however, for any considerable length of time, and cannot state from memory, either the number of days, or the amount of money I have received.

My accounts, with receipts for all the moneys I ever received of the Corporation, were furnished to the Treasurer, at the time of payment; and I presume they are now on file. I never received any money belonging to the Corporation, to my knowledge, for which I did not furnish a receipt.

Int. 2. Have you recorded, as Clerk, all the doings of the Board of Directors, as well as the doings of the Stockholders at the Stockholders' meetings?

Ans. I have, to the best of my knowledge and belief, made a faithful record of the doings and votes of the Stockholders and Directors.

Int. 3. Have you ever been requested not to record the doings of the Directors or Stockholders, at any of their meetings?

Ans. I do not recollect of ever having been requested not to record any vote of the Stockholders or Directors, except in the instance read by me, from my minutes, at the last annual meeting, in relation to a communication of the President. In that instance, the Board first

voted not to receive the communication, and, in a few minutes after, reconsidered that vote, and did receive it; and then voted that it be laid upon the table, until a certain Committee should report.

Int. 4. Did ever the Directors pass a vote forbidding the Treasurer to exhibit the books of the Corporation, to the Stockholders?

Ans. I do not recollect any such vote. The records can be referred to.

Int. 5. Should you have recorded the vote, if it had been passed?

Ans. I certainly should.

Int. 6. Do you remember of Dr. Walker's request being presented to the Board of Directors, in February, 1849, that the privilege of examining the books of the Corporation, when he wished, should be granted to him?

Ans. I recollect that I notified a meeting of the Directors, by order of the President, to act upon the matter contained in a letter, I believe, from Dr. Walker, to the President, wishing to know if he could be permitted to examine the Treasurer's books.

Sometime previous to this, I cannot now state how long, the manner in which the Treasurer's books were exposed upon his desk, to the inspection of any one who might choose to look at them, was regarded as highly objectionable, and some of the Directors expressed their views to the Treasurer against it. I do not recollect that any vote was passed, on the subject, and my impression is that no such vote was passed.

Agreeably to the notice given by me, as before stated in this answer, a meeting of the Directors was held on the 17th day of February, 1849, when the subject matter of Dr. Walker's request was communicated, and the following vote was passed:

"*Voted*, that the President be authorised to permit any Stockholder to inspect the Treasurer's books, by notifying the Treasurer, in writing, or personally."

Int. 7. Do you preserve the original reports and papers, presented at the meetings of the Board, which are recorded by you, or ordered to be placed on file?

Ans. I have delivered to the Investigating Committee such original papers as I have on file. My impression is, that the originals of the annual reports to the Stockholders, were taken by the several Presidents, to the printers, for publication, and were not returned. In most instances, Committees have made verbal reports. In some instances, when written reports were made, they were referred back to the Committee to carry out the recommendations contained therein. In all other instances, where written reports were made, they were placed on file, by me, according to my best knowledge and belief. These files, for the convenience of being more readily referred to, have been deposited in the iron safe in the Treasurer's office, labelled as the Clerk's files.

Int. 8. Have you ever been requested to destroy such original papers, or reports; or has fault been found with you, on account of your preserving them?

Ans. I have no recollection that I was ever requested to destroy

any original papers, or reports whatever. Nor do I now recollect that I was ever found fault with, for preserving them. I never have heard any expression of dissatisfaction, as to the manner in which I have discharged the duties of the office of clerk, unless it was in the preservation, and reading, at the annual meeting of the Stockholders, of the original memoranda in relation to the reception of the communication of the President, herein before referred to.

Int. 9. Have you served on the Committee of the Plymouth Hotel?

Ans. I was appointed one of the Committee to purchase a site, and build thereon, a Hotel at Plymouth. I served on said Committee, at the time of the purchase of the estate whereon the Hotel was erected. When the various plans were presented, by the architect, I found the views of the Committee, and I supposed, also, of the majority of the Board, to be so different from my own, that I ceased, from that time, to act with said Committee; and was never, after, consulted by them, in relation to the erection, completion, or the furnishing of said House.

Int. 10. Have you approved of the manner the Corporation has conducted the Plymouth Hotel?

Ans. Gentlemen differ as to the manner in which a Hotel should be conducted in Plymouth, in order to be successful. The whole establishment is on a more expensive scale than accorded with my feelings, as I have before stated. It has been so managed as to have secured a very high reputation.

But my opinion has been, that a sufficient amount of company, of the class who could submit to the charges, and would be likely to resort to Plymouth, to a first class Hotel, like the Samoset House, could not be expected, to enable it to pay an interest on the investment.

I cannot say that a respectable Hotel, kept in a less expensive manner, with charges to which the people of this region who come to Plymouth on business, would have submitted, would have been any more successful.

I don't think that a Railroad Corporation can very often so manage a Hotel as to make it a good investment.

Int. 11. Did you approve of the items relative to the Samoset House, a schedule of which is annexed, (*see schedule marked* A, [*J. H. L.*] *at the end of the evidence of Mr. Loud,*) being carried to Construction account?

Ans. I was not aware that such items as you have read were charged to Construction account. I was never on the Committee of accounts appointed by the Board, and consequently should not have known the particular details of those accounts. I did not suppose that any of the items, unless it be such as might constitute a part of the furniture of the House, were chargeable to the Corporation at all.

Int. 12. Do you consider yourself responsible for the truth, accuracy, and fairness of all the reports to the Stockholders, which you have signed as a Director?

Ans. In the preparation of the several annual reports, submitted to the Stockholders, the labor of gathering together the statistics and figures, was usually divided among several persons. The last two an-

nual reports were drawn up by Mr. Derby, and for the facts therein stated I relied upon him, and the sources from which he derived the facts, for the accuracy and truth of those statements. I assisted in drawing up some of the earlier reports. I cannot say how many, nor how much of each; and, in those instances I relied on my own examinations, as far as I made them; and on the President, Superintendent, and Treasurer for the residue of the facts, for their accuracy and truth.

Int. 13. Has the President, in your opinion, given as much attention to the interests of the Road, while you have been in the direction, as the chief executive officer of the Corporation should give?

Ans. I don't know, exactly, how much time and attention the several Presidents have bestowed. It was supposed that the whole time of the President, in addition to the services of the Superintendent, would not be required; and a moderate salary has been voted accordingly.

Int. 14. Were you in favor of appropriating the sum of $500 for prosecuting before the Legislature, a petition to allow the Old Colony Railroad Corporation to change the location of their Depot, from the South Cove to the foot of Pearl street? Did you expect that the whole of this sum was to be paid for the expense incurred?

Ans. I was never satisfied, in my own mind, of the expediency of that project. Other gentlemen had such golden visions, that I was willing that the Corporation should aid the petitioners in obtaining, at a reasonable cost, the right to enter Boston at that point; provided that the Corporation should not in any way be committed by any contracts, until the Stockholders, by a vote at a legal meeting for that purpose, should accept any act which might be obtained.

I did not originally expect that the sum of $500, nor anything near that sum, would either be expected, needed, or required of the Corporation, in relation to that matter, while pending before the Legislature.

A, [*J. H. L.*]

List of Articles, referred to in Interrogatory No. 11 *to J. H. Loud, charged to Construction Account.*

July 12, 1848.	*John Atwood, Jr.*	
	Yacht Ocean King, - - - - - -	$249.00
	(Bill approved by Uriel Crocker and J. L. Hedge.)	
March 31, 1848.	*N. Waterman.*	
	1 Chinese Gong, - - - - - -	22.00
	8 Wine Coolers, - - - - - -	6.00
	6 doz. Nut Pickers and Crackers, - - -	17.50
	12 Venison Blazers, - - - - - -	54.00
	3 Ice Cream Moulds, - - - - - -	6.25
	(Approved by Uriel Crocker.)	

April 10, 1848.	*W. R. & A. H. Sumner.*	
	4 pairs cut Wine Bottles, - - - - - -	18.00
	4 doz. Wine Glasses, - - - - - - -	12.00
	6 " Goblets, - - - - - - - -	30.00
	2 " Finger Bowls, - - - - - - -	5.50
	1 Cigar Lamp, - - - - - - - -	90
	2 doz. purple Hocks, - - - - - -	5.50
	(Approved by U. Crocker.)	
June 13, 1846.	*Warren Bolles.*	
	Building four Bowling Alleys, - - - -	600.00
	(Approved by Uriel Crocker.)	
July 12, 1848.	*Kittredge & Blakes.*	
	1 Easy Chair, - - - - - - - -	20.00
	(Approved by J. L. Hedge.)	
October 28, 1848.		
	3 doz. Napkins, 4 doz. Doylies, - - - -	12.08
	(Approved by U. Crocker.)	
October 28, 1848.	*J. Clark.*	
	For cleaning out Sink Hole, - - - -	9.50
	(Approved by U. Crocker.)	
July 5, 1848.	*Kittredge & Blakes.*	
	6 hair Mattresses, - - - - - - -	61.74
	(Approved by J. L. Hedge.)	
August, 1846.	$3\frac{1}{2}$ doz. Swimming Drawers, - -	17.04
	(Approved by W. Thomas.)	
August 15, 1848.	1 Dory Boat, - - - - -	5.00
May, "	14 lbs. Clover Seed, - - -	1.68
July, "	Building a Boat, - - - -	19.91
	(Approved by U. Crocker.)	
March 4, 1846.	*Bought by W. Thomas.*	
	2 doz. packs Playing Cards, - -	7.00
Aug. 28, 1846.	1 Cow of Col. Sever, - - -	40.00
June 9, 1846.	1 Cow of D. Clark, - - - -	40.00
Dec. 17, 1845.	96 silver Forks, - - - -	294.83
	96 " Table Spoons, - - -	257.67
March 22, 1846.	1 Piano Forte, - - - -	225.00
Nov. 30, 1846.	Commission charged by *W. Thomas*, on his purchases for the Samoset House, -	234.52
Dec. 18, 1845.	Bought by *W. Thomas.*	
	50 pr. pink Tavern Slippers, - -	12.50
Dec. 17, 1845.	48 Looking Glasses, - - - -	126.75
Dec. 17, 1845.	25 Double Sinks, - - - -	93.75
March 4, 1846.	4 Pier Glasses, - - - -	138.00
	3 Rat Traps, 2 Mouse Traps, 2 Mop-handles, 2 Currycombs, 10 Solar Lamps, - - - - -	73.00
	12 Window Curtains and Cornices, -	168.00
	1 Knife Cleaning Machine, - -	40.00
	6 doz. Champagne Glasses, - -	16.50
	2 " Claret Glasses, - - -	5.00

EXAMINATION OF H. H. HUNNEWELL,

Director of the Old Colony Railroad.

WEDNESDAY, FEBRUARY 6, 1850.

Interrogatory 1. How long have you been a Director in the Old Colony Railroad Corporation?

Answer. Two years, last month.

Int. 2. What is your business, or occupation?

Ans. My business is, principally, to attend to my private affairs. Formerly I was in a banking house in Paris.

Int. 3. Are you familiar with book-keeping?

Ans. I am.

Int. 4. Have you examined the account books of the Treasurer of this Corporation?

Ans. I have examined them, in connection with Mr. Hayward, as one of the Committee on Accounts.

Int. 5. When did you do so?

Ans. Last spring.

Int. 6. Did you approve of the system of book-keeping adopted by the Treasurer?

Ans. No.

Int. 7. What defects are there in his system?

Ans. Want of explicitness, accuracy, and neatness.

Int. 8. What do you mean by a want of explicitness, and accuracy?

Ans. I mean that his entries did not sufficiently explain themselves, so as to be understood; that there was, about his books, an apparent general carelessness.

Int. 9. Is there not an opportunity for the practice of fraud upon the Corporation, when the Treasurer's books are so carelessly kept?

Ans. I should think it possible, if there were a disposition to do so.

Int. 10. Will you please point out the facilities for perpetrating frauds upon the Corporation, under this system of book-keeping?

Ans. There was a facility—from the fact that the cash on hand, by all the trial balances since the books of the Corporation were first opened, has not agreed with the amount on deposit, to the credit of the Treasurer, in the Bank. And there appears, on the books, no explanation of the discrepancies.

Int. 11. Did not the Treasurer keep a separate cash account?

Ans. Not that I am aware of.

Int. 12. Could not the Treasurer loan the funds of the Corporation and receive interest thereon, discount notes, and use, generally, the moneys of the Corporation for his private benefit, under the system he adopted, without its being possible to detect such transactions?

Ans. I should think not—unless to a limited extent.

Int. 13. What limit could there be?

Ans. By the watchfulness and supervision of the other Officers.

Int. 14. What system of book-keeping would you call that which the Treasurer adopted?

Ans. A loose and unsatisfactory one.

Int. 15. Were you aware that the Treasurer mingled his own cash with that of the Corporation, and deposited his private funds at the Bank in his name as Treasurer, and paid his private bills with the checks of the Corporation?

Ans. No.

Int. 16. Did you examine the Treasurer's cash account for the purpose of seeing if it would balance with the funds actually on hand?

Ans. Yes.

Int. 17. How often, and when, have you done so?

Ans. I examined his books, at one time, for the five months beginning December 1st, 1848, and ending May 1st, 1848, and found them correct.

Int. 18. Did you look back and see if his cash account would balance on the first of each month?

Ans. I noticed that his cash in the Bank did not agree with his books.

Int. 19. Could you tell of what his cash consisted?

Ans. I could tell, for a portion, which was on deposit in the Bank; but for the balance, I was obliged to rely upon his representations, and some minutes he furnished to me.

Int. 20. Did you ever inquire of the Treasurer, if he kept his private cash mingled with that of the Corporation?

Ans. No;—for I had no idea that he did it.

Int. 21. Did you find fault with the Treasurer, on account of the manner in which he kept his cash?

Ans. I did so, most strongly; and I told him that it was absolutely necessary that, for the future, his cash on deposit in the Bank should correspond with his books. And I called the attention of the President to this circumstance. I had then, however, and have now, the utmost confidence in his integrity and honesty, and I do not believe the interests of the Corporation have suffered from his mode of keeping his cash.

Int. 22. Did you ever know of the Treasurer of a Corporation or Banking-house, mingling his private funds with those of the Corporation, or Banking-house?

Ans. No.

Int. 23. Is not such a course very improper and open to serious objections? If so, please state the objections.

Ans. It is, in my opinion. The objections are too numerous and evident, to require explanation.

Int. 24. Should you think a Treasurer could be safely trusted, who did so?

Ans. I could not advise it, as a general thing.

Int. 25. Did you sign the annual report of the Directors for 1848?

Ans. Yes.

Int. 26. What was the Reserved Fund of $8000, spoken of in that report, invested in?

Ans. It was not invested, to my knowledge.

Int. 27. What was it made up of—in what did it consist?

Ans. It consisted in the supposed earnings of the Road.

Int. 28. Will you explain to the Committee, the entry on the leger of $8000, for the Reserved Fund?

Ans. I cannot explain the entry in regard to the Reserved Fund, and I refer you to the President and Superintendent.

Int. 29. What have been the duties which have devolved upon the President and Superintendent, respectively, since you have been in the direction of the Old Colony Railroad?

Ans. So far as I am aware, the President had the general supervision, and the Superintendent the management of the running of the Road.

Int. 30. Has the President had the control of the management of the Road—or has he been, in any manner, thwarted in his operations by the Superintendent?

Ans. Only partially. I am not aware of his having been thwarted in his plans by the Superintendent?

Int. 31. Has the President given, in your opinion, as much attention to the interests of the Road, since you have been in the direction, as the chief executive officer of the Corporation should have given?

Ans. I think not.

Int. 32. In what respect has there been a delinquency?

Ans. I believe that the President has devoted as much time to the affairs of the Corporation, as could be expected, for the compensation paid him. I am, however, of the opinion, that a sufficient salary should be paid to the President, to enable him to devote his whole time and attention to the interests of the Road. As one of the Committee on Salaries, for the past year, I opposed the reduction of Mr. Derby's salary.

Int. 33. Has the Superintendent, with the Treasurer and Directors, been able to make up the deficiency in the management of the Road, which existed from the fact of the President's not being able to devote his time entirely to the interests of the Corporation?

Ans. I think not.

Int. 34. Have you felt, while you have been in the direction of the Road, that the affairs of the Corporation were not properly managed and taken care of?

Ans. I have felt, of late especially, that the interests of the Company have been exposed to detriment—if they have not actually suffered—from the want of some one to overlook them more particularly and carefully.

Int. 35. Do you think that the annual reports, since you have been in the direction, have fairly and faithfully presented the situation of the Company's affairs, and property to the Stockholders?

Ans. I most assuredly did think so, when the reports were made; and I do now, after further investigation, with some minor exceptions, which, in my opinion, cannot affect the intrinsic value of the stock. I do not consider it my duty, as a Director, to compare and verify the figures in the reports, with the books of the Superintendent and Treasurer; and I sign the reports to the Stockholders and the Legislature, considering them to present a true and faithful account of the concerns of the Corporation, to the best of my knowledge and belief; trusting necessarily, for the accuracy of the figures, to the President, Superintendent, and Treasurer.

Int. 36. Of what did the Reserved Fund of $7408.28, reported as existing December 1st, 1849, consist?

Ans. I refer to the President.

Int. 37. Will you explain why $2489.24—being compound interest on a note due from F. K. Bartlett, dated March 6, 1847, for $14,183.63—was carried to the following accounts:—

1849.—December 1—Cr.	Reserved Fund Account		1545.37
" "	Income	"	943.87

—only $425.50 interest having been received on said note?

Ans. I refer to the President.

Int. 38. Will you explain why $1724.15 and $162.29, in November and December, 1849, due from the City of Boston, were carried to Income account—these amounts being ten *per cent.* retained by the City until the completion of Evans's contract?

Ans. I refer to the President.

Int. 39. Is the Corporation to receive interest on the ten *per cent.* retained by the City of Boston?

Ans. I refer to the President.

Int. 40. What is the meaning of "Contingent account" on the Corporation's books?

Ans. I refer to the President.

Int. 41. Were you in favor of endorsing $25,000 bonds of the South Shore Railroad, without security being required at the date of the endorsement and issue?

Ans. I presume so.

Int. 42. Were you in favor of endorsing $30,000 Dorchester and Milton Branch Railroad bonds, without security?

Ans. I presume so.

Int. 43. Has the Dorchester and Milton Branch Railroad Company executed a mortgage on that Road, to secure bonds issued since the endorsement of the Old Colony Railroad?

Ans. I don't know.

EXAMINATION OF P. W. HAYWARD,

Director of the Old Colony Railroad.

TUESDAY, FEBRUARY 5, 1850.

Interrogatory 1. Have you examined the Treasurer's books of accounts, since you have been a Director?

Answer. I have examined his vouchers and his books.

Int. 2. Did you approve of his system of book-keeping?

Ans. No, Sir.

Int. 3. Did you know that he did not keep a cash-book?

Ans. No, Sir.

Int. 4. Did you know that he mingled his private funds with those of the Corporation?

Ans. No, Sir.

Int. 5. Did you ever, while Director, object to the Treasurer's system of book-keeping, and express your dissent?

Ans. I have said to the Directors, that the Treasurer should not have a cash account; that all moneys received by him should go into the bank, and all his payments come from the bank; that the bank book should be a check upon him.

Int. 6. What was the reply of your fellow Directors to your statement.

Ans. I cannot say.

Int. 7. Why did you not insist upon an alteration in the system of the Treasurer's book-keeping?

Ans. I cannot say now, why I did not insist at that time. I made a report to the Directors in 1847, which was disregarded.

Int. 8. Did you ever examine the Treasurer's check book, or his bank account?

Ans. No, Sir.

Int. 9. Have you, while a Director, expressed to the Treasurer your dissatisfaction with his system of book-keeping?

Ans. Yes, Sir. I went to the Providence Railroad Office, and looked at their books with Mr. Fletcher. I requested Mr. Fletcher to keep his books in that way, and told him he must alter his system. Mr. Fletcher said he did not perceive any difference between his system and theirs; he did not see but what they amounted to about the same thing. I told him that, nevertheless, he must alter his system so as to conform with that of the Providence Railroad. Accordingly, he procured new books and did so.

Int. 10. Did you see that he kept his books, and cash account, according to the system, of the Treasurer of the Providence Railroad?

Ans. The books are not now kept so strictly according to the Providence Road system as I wished to have them.

Int. 11. Why did he not keep his books strictly according to the Providence Railroad system?

Ans. Mr. Fletcher thought it would be inconvenient to keep his books in accordance with the Providence Railroad books, as he could not make his deposits, and draw his checks, according to their system.

Int. 12. Have you at any time, while Director, examined Mr. Fletcher's cash account.

Ans. No, Sir.

Int. 13. When the Treasurer negotiated loans, could you ascertain the rate of interest paid, by referring to the entries in the Treasurer's books?

Ans. No, Sir—there was nothing there which could show. I made a calculation as to some notes on which the interest was paid, and it appeared to be more than simple interest; Mr. Fletcher told me that the difference, was a bonus paid to the parties for obtaining the money.

Int. 14. Do you know what perquisites, if any, Mr. Fletcher had, besides his salary, for his services as Treasurer?

Ans. No, Sir. I don't know of his receiving any.

Int. 15. Do you know what arrangement, if any, the Plymouth Bank made with the Old Colony Railroad Corporation, for loans?

Ans. I do not.

Int. 16. Do you know under what arrangement the Treasurer circulated the bills of the Plymouth Bank?

Ans. No, Sir. I know nothing about the financial affairs of the Company, as they were managed by the Finance Committee.

Int. 17. Has Mr. Fletcher, during the last year, asked of the Directors an addition to his salary?

Ans. Not that I recollect.

Int. 18. By what name should you call the system of book-keeping adopted by the Treasurer?

Ans. I know of no name for it.

Int. 19. Is it an irregular system, and one highly improper to be adopted by any Corporation?

Ans. It is. I said so three years ago, and still say so.

Int. 20. Will you point out some of the defects of the system of book-keeping, now practised by the Treasurer?

Ans. There is a certain absence of checks upon the Treasurer; and there is a want of detail in keeping the books. My opinion is, that a set of books should be kept so as to explain themselves, without calling on the one who keeps them. The system should be such, that a person could satisfy himself from the books themselves. The books of the Corporation, as kept at present, would require explanation.

Int. 21. If you wished to devise a method to conceal transactions, could you adopt one more effectual for that purpose?

Ans. That is a question I cannot answer. I disapprove entirely of the system by which the Old Colony Railroad Corporation's books are kept.

Int. 22. Did you ever ask the Treasurer to explain his transactions, as recorded in the books?

Ans. I have asked him to explain some of the entries in his books.

Int. 23. Was the Treasurer able to give satisfactory explanations, when called upon?

Ans. Yes, Sir.

Int. 24. Did you know that the Treasurer paid claims against the Corporation in bank-bills, and not by checks?

Ans. No, Sir.

Int. 25. Will you examine the bank check books, and see if the entries are properly made, so as to explain the Treasurer's transactions?

Ans. They are not. He may be able to explain them, in connection with his books.

Int. 26. What is the Reserved Fund, as returned in the annual Report to the Stockholders for this year, made up of?

Ans. The President was Chairman of the Finance Committee, and submitted his report to the Board, and we adopted his figures.

Int. 27. Is there a Reserved Fund, belonging to the Corporation?

Ans. I can only say that, in the President's report, he states there is a Reserved Fund. That is all I know.

Int. 28. In your opinion, is there, in reality, a Reserved Fund, or is it a fictitious account?

Ans. I have no reason, to doubt that there is a Reserved Fund, but do not know of what it consists.

FRIDAY, FEBRUARY 22, 1850.

Int. 29. Has the President, in your opinion, given as much attention to the interests of the Road, while you have been in the direction, as the chief executive officer of the Corporation ought to give?

Ans. I cannot answer the question directly. I think railroads require the exclusive attention of the person at the head of the Corporation, more than any other Corporation I know of. I think that there has not been as much attention given to the Road as there ought to have been.

Int. 30. Do you think that the annual report to the Stockholders, for the year 1849, exhibited fairly and faithfully the situation of the Company?

Ans. I took the statement as it was presented to the Board, by the President, as a true statement of the affairs of the Corporation. I did not examine the figures. I am not satisfied, myself, as to its correctness. I have become dissatisfied, since the report was published, and I have had time to examine it. At the time the report was made to the Directors, it was read to the Board by the President, without any examination of the figures by myself, or by any of the Directors, I believe.

Int. 31. Is it, or not, your opinion, that the Board of Directors

should have given a more careful examination of a report to the Stockholders, than they have done, since you have been in the direction?

Ans. I think it is sufficient for the Directors to rely on the head of the Corporation for the report. Having confidence in the integrity of Mr. Derby, I supposed the report to be correct. I have been in the direction but one year, and I relied on the report of the executive of the Corporation. There was a good deal of matter struck from the report, which we did not consider neccessary, and which had no relation to the situation of the Corporation.

The report, as printed, was submitted, with the exception of the table of the Dorchester and Milton Road; Mr. Derby observing, at the time the report was read, that he had a table showing the number of passengers by the Dorchester and Milton Road, which he should like to annex to the report. The table on the last page of the annual report of 1849, I do not consider myself responsible for; and it may have a tendency to deceive, in regard to the number of passengers by the Dorchester and Milton train.

At a meeting of the Directors, on the 21st day of November, 1849, the President was directed to cause to be prepared the annual report of the Corporation, so that it could be published on, or before the 15th of December. On Wednesday, the 19th day of December, the President submitted a draft of the annual report. On the same day it was submitted, it was accepted, and ordered to be printed, so that it might be circulated previously to the Stockholders' meeting.

Int. 32. Do you think that items have been improperly credited to Income account, which should have been credited to other accounts? If yes, state what those items are.

Ans. Yes. I could not state particularly what items, without examining the books.

Int. 33. Do you think that the Directors can, by the use of committees, supply the deficiency which may exist, from not having as President of the Company, one who is not exclusively engaged in the service of the Corporation?

Ans. I think they cannot. I disapprove of Committee management.

EXAMINATION OF NATHAN CARRUTH,

Ex-President of the Old Colony Railroad.

TUESDAY, JANUARY 29, 1850.

Interrogatory 1. When were you President of the Old Colony Railroad Corporation, and how long did you hold that office? What were your duties, and what was your salary?

Answer. I was President two years—in 1846 and 1847. I had a salary of one thousand dollars per annum; and an extra allowance of eight hundred and seventy five dollars, for building the Abington Branch. I had a supervising care of the Road. My salary was fixed at one thousand dollars per annum in January, and the Abington Branch was located on the 25th of March, the same year. I settled the land damages on the Branch, and made the contracts. I had nothing to do with the finances—the financial business being under the direction of Josiah Quincy, Jr., Chairman of the Finance Committee.

Int. 2. Did you ever receive any perquisites, or derive pecuniary advantages, from your being President, other than what you have stated? If so, state what they were.

Ans. No, Sir—not to my knowledge. Not a cent.

Int. 3. Were you a Stockholder, while President? If so, what amount of stock did you own; and do you continue to be a Stockholder in the Road?

Ans. Yes, Sir. I cannot say how much I owned—never less than fifty shares, and sometimes one hundred. I once had an interest in two hundred shares. I do not own any now.

Int. 4. Were you, as President of the Old Colony Railroad, opposed to building a Branch Road from Braintree to Bridgewater?

Ans. Yes, Sir. I thought the public good did not require it.

Int. 5. Were you in favor of building a Branch from South Abington to Bridgewater, after the Directors of the Fall River Railroad had decided to construct a Road from Bridgewater to Braintree?

Ans. Yes, Sir. I was told the Fall River Railroad Company would not succeed in building the Road from Bridgewater to Braintree, but afterwards was informed it would build it;—and I tried to negotiate with the Fall River Railroad Company, through Mr. Randall, a Director of that Road; and, through him, I believe, the Fall River Railroad Company was induced to make a proposition to the Old Colony Railroad Corporation. I received an estimate of the amount of business the Fall River Railroad would bring to the Old Colony Road; and it all went to show that it would be for the interest of both Roads, for the Old Colony to accept the proposition of the Fall River Road.

Int. 6. While the Directors were debating, in respect to the building of the Abington and Bridgewater Branch, did any Director propose to abandon the Branch?

Ans. Yes, Sir. I made a proposition to abandon the Abington Branch at that time. I submitted the proposition of the Fall River Road, of which I was in favor, and a preamble and resolution were offered, at a meeting of the Directors of the Old Colony Road. The records of the Old Colony Railroad Corporation, folios 55 and 56, will explain the matter. The Superintendent, Mr. Moore, was in favor of abandoning the Abington Branch, provided a contract could be made with the Fall River Road. The Directors at the Plymouth end of the Road were in favor of building the Abington Branch.

The Fall River folks said they were going to extend an independent line, *via* Randolph and Milton, into Boston. The Old Colony Railroad Company, had a right, for a limited time, to build a Road from Braintree to Bridgewater, and, at that time, we declined doing it. The Fall River Rail Road commenced its Branch sometime before the Old Colony commenced building a Branch from South Abington to Bridgewater. We commenced the Abington Branch because we believed it would take the business from Bridgewater over the Abington Branch. The Stoughton Branch Directors agreed to extend that Branch to North Bridgewater, to give North Bridgewater the Railroad accommodation it required.

We said to the citizens of West Randolph, that no doubt the Old Colony Railroad Company would build a Branch from South Braintree to West Randolph. The Fall River Railroad was built to Myrick's, connecting with the New Bedford, Taunton, and Providence Railroads, to Boston, before the Old Colony Railroad was begun. The Legislature granted two charters, one from Myrick's, through Middleboro', to South Bridgewater, and there stop. They granted another charter to the Bridgewater and Braintree Railroad—which was the one we were opposed to, and the one the Old Colony had the privilege of building.

Int. 7. Did you receive a proposition from the Directors of the Fall River Railroad, that, if you would abandon the Abington Branch, they would contract to run their trains on the Old Colony Railroad from Braintree to Boston?

Ans. Yes, Sir.

Int. 8. Was there any obstacle to prevent the acceptance of this proposition?

Ans. There was no obstacle; and, afterwards, we made an arrangement with the Fall River Railroad, to run their cars over our Road. But we continued building the Abington Branch, though we might have abandoned the building of it after we received the above proposition, having expended then, on the Abington Branch, not more than ten thousand dollars; and a profit might have been realised, on the iron, of about five thousand dollars.

Int. 9. Was there any objection, by any of the Board of Directors, on account of the outlay for depot stations on the Abington Branch?

Ans. No, Sir. They never saw them, to my knowledge. I am not aware of any objections being made.

Int. 10. Did you receive any pay for the building said Branch, contrary to the vote of the Directors?

Ans. I could not say I did contrary to any vote;—the subject of building that Road was alluded to frequently, and some of the Directors said they would make it all right with me.

Int. 11. Who were the Committee on the part of the Old Colony Railroad Directors, on the Fall River Railroad contract? Who made the contract?

Ans. Mr. Sever, Mr. Crocker, and myself. The Committee made the contract.

Int. 12. Was the Fall River Railroad contract confirmed by the Board of the Old Colony Railroad Directors, without objection?

Ans. There was no objection. To the proposition which I submitted, one of the Committee did object, but they afterwards accepted a contract more unfavorable to the Old Colony Railroad Corporation.

Int. 13. Did the Directors, as a Board, make any attempt to obtain a charter for a Railroad from Plympton to Wareham and Cape Cod?

Ans. I don't know as they did, as a Board. The records will show what they did. They did, some of them, make attempts, as individuals.

Int. 14. Did you personally make a contract with the Dorchester and Milton Branch Railroad?

Ans. The Committee made it.

Int. 15. Was the contract laid before the Board of Directors, and discussed?

Ans. Yes, Sir.

Int. 16. Did any Director object to the contract?

Ans. I don't remember that any Director objected to it.

Int. 17. Why was the privilege, or option, given to the Dorchester and Milton Branch Railroad to renew its lease—at the expiration of the present five years' lease—for five additional years, at six *per cent.* on the cost of the Road?

Ans. Because it was thought that it was for the interest of the Old Colony Railroad to do it.

Int. 18. Were any of the Board of Directors in the Old Colony Railroad, also Directors in the Dorchester and Milton Branch Road, at the time this contract was made? If so, who?

Ans. There were not any at that time.

Int. 19. Were any of the Old Colony Railroad Directors, Stockholders in the Dorchester and Milton Branch Railroad at the time the contract was made between the Roads? If so, who, and what number of shares did they own at the time?

Ans. I think all, or almost all, owned some shares. I had twenty shares. Col. Sever had five shares.

Int. 20. Was there any contract for engines, or cars, made with Bradley & Rice, Davenport & Bridges, or Hinkley & Drury, in consideration of their subscription for one hundred and thirty shares in the Dorchester and Milton Branch Railroad?

Ans. No, Sir. Not to my knowledge.

Int. 21. Are you now a Director in the Dorchester and Milton Branch Railroad?

Ans. Yes, Sir.

Int. 22. What were the reasons, which induced the Directors to guarantee the Dorchester and Milton Branch Railroad bonds, for thirty thousand dollars, after the lease was executed?

Ans. To encourage the building of the Road, thinking it would help them to raise money, without paying extra interest for it.

Int. 23. When the Dorchester and Milton Branch Railroad executed a mortgage of its road, did the Dorchester and Milton Directors object to including, in the mortgage, the aforesaid bonds, guaranteed by the Old Colony Railroad?

Ans. Yes, Sir; I think they did. They were under no obligation to include the bonds of the Old Colony Railroad, and we thought it would hurt the sale of the bonds of the Road.

Int. 24. Was the extra interest and discount, on your bonds, included, and charged as cost of Road?

Ans. I think it was; and the discount on the bonds also.

Int. 25. Were you a Stockholder in the South Shore Railroad, when the contract was made with that Road? Were most of the Directors of the Old Colony Railroad also stockholders in the South Shore Road?

Ans. Yes, Sir. I should say most of the Directors were. Mr. Quincy was, Mr. Loud, and Mr. Hedge.

Int. 26. Were you directly, or indirectly, interested in the Fall River Railroad at the time when the contract was made by that and the Old Colony Railroad Corporation?

Ans. No, Sir.

Int. 27. Were you interested in the South Cove Corporation, at the time purchases of land were made from said Corporation, for account of the Old Colony Railroad Corporation?

Ans. No, Sir. I never owned a share of that stock.

Int. 28. Were you interested in flats which were to be filled up in the event of the Old Colony Railroad being carried to the foot of Pearl street?

Ans. No, Sir.

Int. 29. Who composed the Committee for the purchase of the South Cove lands on which the depot stands?

Ans. I don't know as there was any Committee. I think I made the purchases myself, and employed Mr. Jackson, Mr. Crocker and others. The land did not all belong to the South Cove Corporation. It belonged to different individuals.

Int. 30. Who purchased the land between Beach and Kneeland streets?

Ans. I believe Mr. Crocker purchased it.

Int. 31. Why were the lands and buildings between Beach and Kneeland streets bought, and by what authority, were any of the lands bought on the Cove?

Ans. It was at first contemplated to put our depot on Beach street. They were bought by authority of the Directors.

Int. 32. Have you purchased land, or other property, for account of the Old Colony Railroad Corporation, without authority of the Board of Directors? If so, what property was so purchased, and to what amount?

Ans. I bought a house in Boston, in my own name, and it was afterwards transferred by me to the Old Colony Railroad. I bought a piece of land in Braintree, of Deacon Hollis, and took a deed in my own name; and there might have been others. I bought a piece of land at auction, out at the gravel pit, and afterwards the Directors took it of me at the same price. I bought a farm in East Bridgewater, and offered it to the Company at the same price I paid for it, and they refused to take it, but paid me land damage for going through it.

Int. 39. At any time since the purchase of the property between Beach and Kneeland streets, could the same have been sold at a profit? If so, why was it not sold?

Ans. I don't think there has been any time that we could have sold it at a profit. There has been one lot sold.

Int. 34. Did you make the contract with the South Shore Railroad Company? If not, who made it?

Ans. No, Sir. It was made by the Committee, which consisted of William Thomas, Josiah Quincy, Jr., and J. L. Hedge.

Int. 35. Was the contract laid before the Board of Directors of the Old Colony Railroad Company, before it was executed?

Ans. Yes, Sir.

Int. 36. Did the Board approve and confirm said contract, without any objection?

Ans. Yes, Sir. I don't remember of any objection.

Int. 37. What method, if any, was adopted by the Directors to ascertain the amount of the deficiency in the Treasurer's accounts?

Ans. I don't know that there was any action by the Directors. There was a Committee appointed by the stockholders to examine the accounts.

Int. 38. Were you in favor of building the Plymouth Hotel by the Corporation?

Ans. No, Sir; I never was. We built it by direction of the Stockholders. I had nothing to do with it in any shape. I was in favor of building a Hotel at Plymouth, by subscription.

Int 39. Did the Building Committee of the Plymouth Hotel exceed the amount appropriated for building the Hotel, before a vote was passed by the Stockholders, appropriating an additional sum?

Ans. Yes, Sir, they did; and then asked for a new appropriation, as there were debts against the Hotel, and the House was but partly finished. My advice was never asked about it.

Int. 40. Were reports made by the Committee, to the Board of Directors, stating the amounts expended, until the sums had exceeded $25,000.

Ans. No, Sir; not to my knowledge. Mr. Crocker, Mr. Loud,

and Mr. Thomas, were on the Committee; and Mr. Hedge acted with them. Mr. Sever was always opposed to the House.

Int. 41. Why was the sum of seven thousand dollars, paid for a site for the Plymouth Hotel, charged to the account of Land Damages, under date of June 9, 1845, instead of standing, on the books, to the debit of the Plymouth Hotel?

Ans. I cannot answer that question, as I had nothing to do with it. I was not consulted, and do not know who bought it.

Int. 42. Will you state the amount received from Mr. Stetson, for rent?

Ans. I think we received a thousand dollars the first year, for rent; said to be the profits of the House that year.

Int. 43. Who made the proposition to change the location of the present depot to the foot of Pearl street? Why was it considered necessary to prosecute that petition at an expense of five hundred dollars?

Ans. I don't know. It was after I left the road. I was opposed to it.

Int. 44. What was the arrangement with Josiah Quincy, Jr., in 1847, for the negotiation of loans?

Ans. My impression is, that Mr. Quincy was Chairman of the Finance Committee, and we were to give him one thousand dollars a year; and he was to raise all the funds the Company wanted. It was not understood that he was to pay more than six *per cent.* He was to get the money as cheap as he could, for the Corporation; the same as I was to get land as cheap as I could. The agreement was for a year, I believe.

Int. 45. Why was the bond for two hundred thousand dollars given by the Corporation?

Ans. It was given to indemnify him for any loss that he might incur, for endorsing for the Company. He said that he might be obliged to endorse the notes of the Company to raise money, and he wished to be indemnified.

Int. 46. When the stock of the Old Colony Railroad was selling in 1847, at a premium, why was not new stock issued at par, to liquidate the floating debt?

Ans. I don't know why it was not. Mr. Quincy was opposed to it. There was a difference of opinion in the Board of Directors. Mr. Gilmore was consulted by me, and was very decided, that it was for the interest of the Old Colony Railroad to make stock. He was not a Director, but having been formerly Treasurer, I consulted him.

Int. 47. Did any member of the Board agree to loan money or to furnish the Corporation with money, in case new stock was *not made;* and what were the terms on which such loan was to be made?

Ans. Mr. Quincy said he would furnish all the money we needed. He said that if we would let him alone, he would manage it. But he did not tell us how he could do it.

Int. 48. Have companies been formed for the purpose of speculating in the stock of the Old Colony Railroad Corporation?

Ans. There was a company formed. A broker came to me and

asked me if I would take some stock, on certain conditions, and I took one hundred shares.

Int. 49. Who were members of these companies? Who managed the speculation?

Ans. I cannot tell. Mr. Crocker and myself, each took one hundred shares. I don't know of any one else. Mr. Degrand was the manager.

Int. 50. In whose name did the stock of these companies stand, on the transfer book?

Ans. I don't know. We had an obligation from Mr. Degrand; and I don't know whose name it stood in. It was the most blind and foolish operation I ever went into. I lost money in it. I had an impression that the stock never stood in any one's name, but was bought, to be delivered short, as brokers do it. I don't know that Mr. Quincy had any thing to do with it. I never speculated but very little in stock. I think it was patriotic motives that induced me to go into it.

Int. 51. Why were dividends of three and three and a half *per cent.* declared and paid, in 1847, on $1,199,300, as the net earnings, without reference to the interest on the floating debt of $452,000?

Ans. Because we earned them, as we supposed. The interest on that floating debt, went to Construction account.

Int. 52. Why were dividends made in 1848, on $1,601,365, as net earnings, without reference to the Interest account, which was $72,728.53, and the debt, $509,463.51?

Ans. I cannot answer it. We never declared any dividends without we thought that we had earned them.

Int. 53. Who made the contract with Mr. Evans, as to the gravel business? Were the terms considered advantageous to the Corporation?

Ans. The verbal contract was made, and the preliminaries settled by me, before I left. But it was not closed. The price was agreed upon, but things were altered afterwards, that is, the main features; but the price was not changed.

Int. 54. Was Mr. Fletcher, while Treasurer of the Old Colony Railroad Corporation, acting Treasurer of the Northern Railroad?

Ans. No, Sir. He was my clerk, and I was Treasurer of the Northern Railroad. We occupied the same office.

Int. 55. While you were President of the Old Colony Railroad Company, did Mr. Fletcher keep his private funds with those of the Old Colony Railroad Corporation?

Ans. I don't know, Sir. The Finance Committee had charge of the funds of the Corporation.

Int. 56. Did you keep your private cash with that of the Corporation? Did you keep a private Bank account?

Ans. No, Sir. I had a private Bank account.

Int. 57. What appropriation or use was made of surplus funds in the hands of the Treasurer, during your Presidency?

Ans. They were appropriated to pay debts of the Corporation, so far as I know. The Corporation was most always short, while I was

President. When Mr. Gilmore was Treasurer, they had surplus funds, which laid in the Market Bank.

Int. 58. Have you borrowed money of the Old Colony Railroad Corporation, on your memorandum checks, for private use, on which interest was paid, or not paid?

Ans. No, Sir. I never borrowed any money of the Old Colony Railroad Corporation, for my own private use, on which interest was paid, or not paid?

Int. 59. Did the manner of keeping the books of the Old Colony Railroad Company, meet with your approval?

Ans. Yes, Sir.

Int. 60. Were you aware that Mr. Fletcher was in the habit of mingling his private cash with that of the Corporation?

Ans. I knew nothing about his cash accounts. I had nothing to do with the Treasurer's department. When I wanted any money, I took it from the Treasurer, and gave vouchers for it.

Int. 61. While Mr. Fletcher was Treasurer of the Old Colony Railroad Company, during your Presidency, did he act as a broker, in buying and selling stocks?

Ans. While I was President of the Road, Mr. Fletcher accommodated people. by disposing of stock for them, or obtaining it.

Int. 62. Was extra interest paid by the Old Colony Railroad Corporation, to the Northern Railroad on any loans?

Ans. No. Sir. I think not. I loaned a good deal of money to the Old Colony Railroad, while I was Treasurer of the Northern Railroad, at less than six *per cent.*

Int. 63. What is your opinion of the expediency of abandoning the Northville, Joppa, and Bridgewater stations?

Ans. I can form no opinion, without looking into the business.

Int. 64. Were commissions paid to the Directors, or any of them, for purchases made on account of the Corporation?

Ans. No, Sir; with the exception of a commission to Mr. Gilmore, for the purchase of iron.

EXAMINATION OF ADDISON GILMORE,

Ex-Director of the Old Colony Railroad.

MONDAY, MARCH 4, 1850.

Interrogatory 1. Have you held any office in the Old Colony Railroad Corporation? If so, what, and when?

Answer. I was a Director and Treasurer, until December, 1845, when I resigned my Directorship, and continued as Treasurer, until November, 1846.

Int. 2. Why did you resign the offices of Director and Treasurer?

Ans. I did not approve of the policy pursued by the Finance Committee, in borrowing money, instead of creating new stock, to pay the floating debt. I was chosen President of the Western Railroad Corporation, and I should have, therefore, resigned, independent of the reason I have given above.

Int. 3. Will you please state why you disapproved of the borrowing of money, instead of creating new stock, to pay off the Company's debts?

Ans. The stock was selling at a premium, and the new stock would have readily been taken at par. The Finance Committee would not carry out what I deemed necessary for the interest of the Company, which was to sell the stock, instead of pledging it. I was censured for selling my stock; but I sold, because I believed that the stock would be depressed on account of the policy pursued. There was opportunity for paying off the floating debt of the Company, by creating and issuing new stock, which could have been sold at par, or at a premium, a long time before a dollar was paid for extra interest.

Int. 4. What system of book-keeping was adopted by you, when you were Treasurer of the Old Colony Railroad Corporation?

Ans. I asked Mr. Spalding, who was Treasurer of the Concord Railroad, to assist Mr. Fletcher, who was my clerk, in opening the Old Colony Railroad books. I understood, at that time, that the Concord Railroad books were a model of Railroad book-keeping, and I adopted the system of that Road. I kept an oversight of the books, having Mr. Fletcher as my accountant; and I knew that the books were kept by him honestly, while I was Treasurer. I never made an entry in the books in my life. I examined the cash assets, never relying upon a statement without examination.

Int. 5. Did you, while Treasurer of the Old Colony Railroad Company, mingle your private cash with that of the Corporation, or allow Mr. Fletcher to do it?

Ans. I did not. I always kept my private cash separate from that of the Corporation, and never allowed my clerk to use the cash of the Company for his private benefit.

EXAMINATION OF JOSIAH QUINCY, Jr.,

Ex-Director of the Old Colony Railroad.

Wednesday, February 20, 1850.

Interrogatory 1. How long were you a Director of the Old Colony Railroad Corporation?

Answer. About two years.

Int. 2. Did you serve as Chairman of the Finance Committee of the Old Colony Railroad Corporation?

Ans. I did.

Int. 3. As Chairman of the Finance Committee, were you familiar with the system of book-keeping adopted by the Treasurer?

Ans. I don't know that I ever saw the books. My business, as Chairman of the Finance Committee was, to get money for them when they wanted it; and conduct the financial affairs of the Company.

Int. 4. Did you know that the Treasurer kept his private funds with those of the Corporation?

Ans. I did not. I never suspected it.

Int. 5. Will you please state if, in your opinion, a Treasurer of a Corporation is justified in mingling his private cash with that of the Corporation?

Ans. Certainly not. I should never imagine such a thing.

Int. 6. Were you in favor of creating twenty-five hundred shares of stock, in October, 1849, to be used as collateral, in obtaining loans for the Corporation?

Ans. I have no recollection of the fact. I dare say it may have been so.

Int. 7. Why did you not sign the annual reports to the Stockholders, in 1846 and 1847?

Ans. I have no sort of recollection, whether I signed them or not. There may have been some reason for it. It is so long ago, I cannot recollect.

Int. 8. Under what agreement did you serve, as Chairman of the Finance Committee, and what were your duties?

Ans. I have no recollection of any agreement. At one time they wanted to raise money, and I made a bargain to raise money for them; and they were to pay me a thousand dollars.

Int. 9. Did you agree to provide all the money which the Company might want, for the salary of one thousand dollars per annum, at simple interest?

Ans. No, Sir. I made no bargain about what I was to supply. I never received from them more than six *per cent.*

Int. 10. Were you to negotiate, and provide, for the Old Colony

Railroad Company, whatever money the Company might want, in consideration of the above named salary?

Ans. No. I was to receive a thousand dollars for the general use of my name, and for my financial ability. I was to charge whatever rate I got the money at, whether it was more or less. For my own money I never charged more than six *per cent.*

Int. 11. Did you borrow of the Western Railroad, for the Old Colony Railroad, the sum of fifty thousand dollars at five *per cent.*?

Ans. No. I don't think I ever did. I don't remember ever lending money for the Western Railroad at five *per cent.* I left my memorandum for loans made by me for the Western Railroad, and put in the security of the person who borrowed it, as collateral.

Int. 12. Did you borrow for yourself, of the Western Railroad, fifty thousand dollars, at five *per cent.*, and lend that amount to the Old Colony Railroad, at six *per cent.*?

Ans. Never.

Int. 13. Did you know, at any time, that the Corporation issued more stock than had been created, for the purpose of raising money, or giving security for loans?

Ans. No. I have no recollection of it. And I think I should recollect it, if I had ever known that there was an over-issue. If it was so, it was an oversight.

Int. 13 1-2. Did you offer a resolution, while in the direction of the Old Colony Railroad, to create twenty-five hundred shares of stock to be used as collateral?

Ans. I have no recollection of it. Very probably I did.

Int. 14. Did you know of an over-issue of stock of one thousand shares, in December, 1847, beyond what had been created, of which issue you had six hundred and forty-eight shares as collateral?

Ans. I was certainly not aware that there was an over-issue, and never heard it surmised, until this moment.

Int. 15. Why was the Finance Committee authorised to take possession of the books of the Company, in July, 1847?

Ans. I don't know what was the cause, except what is stated in the records.

Int. 16. Have you approved of the system of book-keeping adopted by the Treasurer?

Ans. I have no recollection what his system was. I did not consider it my duty to look after the Treasurer.

Int. 17. Did you, while acting as the Chairman of the Finance Committee, borrow money at a rate under six *per cent.*, and loan it to the Company at six *per cent.*?

Ans. Never, to my recollection.

Int. 18. Did you, in 1847, when the stock was above par, in the market, object to the creation of new stock, for the purpose of paying off the floating debt?

Ans. I have no recollection that I ever objected to it; and I don't think I ever did. I know I never did when it was above par.

Int. 19. Were you connected with any company, created for spec-

ulating in the stock of the Old Colony Railroad Company, while you were a Director?

Ans. Not that I remember.

Int. 20. The Committee notices large amounts of stock, standing in the names of P. P. F. Degrand, trustee, and C. A. Read, trustee, and transferred from time to time, while you were in the direction, and during the time of the discussion in respect to the creation of new stock, to pay off the floating debt. Were you interested in that stock, and were those parties your trustees?

Ans. I have no recollection of being interested in any speculation of that nature. I have frequently, both in this, and in other corporations, loaned money to persons who wished to make a purchase of stock, for which they have paid me six *per cent.* And the object, in case any thing of this kind was done, was to raise the value of the stock,—the persons purchasing, expecting a rise.

Int. 21. Did you approve of the contracts made by the Old Colony Railroad Corporation, with the Dorchester and Milton Branch Railroad, and the South Shore Railroad, and the Fall River Railroad?

Ans. I presume I did, if I was a Director at the time.

Int. 22. Have you a bond of indemnification in your possession, given to you by the Old Colony Railroad Corporation?

Ans. Not that I am aware of.

Int. 23. Have you any outstanding claims against the Company?

Ans. Not that I am aware of.

Int. 24. Did you approve of the declaration of a dividend of three and a half *per cent.* to the Stockholders, in December, 1847, when there was a large floating debt of $452,000, and a large interest account against the Corporation?

Ans. I don't remember the fact. If the Corporation had fairly earned a dividend, at that time, I was probably in favor of declaring it; as they would look to the creation of new stock, or some other means, to liquidate their debt.

Int. 25. Will you please state, if you received a salary for a longer time than you served as Chairman of the Finance Committee?

Ans. I received a thousand dollars, for carrying them through; to the end of the year, I suppose it was.

Int. 26. Will you please look at your account with the Company, herewith submitted to you, as settled by your clerk, Gilman Davis, May 31, 1848; and state whether you were a borrower, or a lender to the Company, between December 4, 1847, and May 31, 1848? Did you pay the Company a balance of interest, or did it pay you a balance, on settlement?

Ans. It seems that I paid a balance. I never held any large amount of the Company's funds in my hands. If I was indebted to it, it was without my knowledge. I think that in the middle of the year 1847, I made a negotiation with the New England Bank, for fifty thousand dollars, for the Old Colony Railroad Corporation; and reserved the right of renewing the loan for four or six months; and it was accordingly

renewed for the benefit of the Corporation. And this negotiation did not come into my accounts with the Old Colony Railroad Company. I presume that was the fifty thousand dollars that Mr. Derby alluded to, at the annual meeting, as having been loaned by me to the Corporation. I have no recollection of loaning the Corporation fifty thousand dollars at any time.

It appears that there was a balance of interest of $167, on negotiations amounting to over $112,000. My clerk always makes up an interest account with any corporation whose funds may be in my hands. If there was any balance, I was probably unaware of it at the time. I loaned money to the Corporation, and although I might have had money of theirs I was not aware of it.

Int. 27. Did you approve of items which appear in the Plymouth Hotel account, being carried to Construction account?

Ans. I know nothing about it.

Int. 28. Were you a Stockholder in the Dorchester and Milton Branch, and the South Shore Railroads, when the contracts were made; and were you on the Committee to make the contracts?

Ans. I presume not. I subscribed to both of these stocks, for the purpose of benefitting the Old Colony Railroad, if I subscribed at all.

Int. 29. Were you in favor of building the Abington and Bridgewater Branch?

Ans. It was a thing I knew nothing about. I did not oppose it.

Int. 30. Do you think that the annual reports, made by the Directors to the Stockholders, while you were in the direction, presented a fair statement of the condition of the Corporation?

Ans. I don't recollect what the annual reports were. If I did not sign them, I don't know that I ever saw them. I have no recollection on the subject, whatever. The financial business was all I attended to.

EXAMINATION OF WILLIAM THOMAS,

Ex-Director of the Old Colony Railroad.

TUESDAY, FEBRUARY 19, 1850.

Interrogatory 1. How long have you been a Director in the Old Colony Railroad Corporation, and when?

Answer. From the commencement, till August, or September, 1848.

Int. 2. Was the contract with the Dorchester and Milton Branch Railroad made with your consent?

Ans. Yes, Sir.

Int. 3. For what term did you understand that the contract between the Dorchester and Milton, and the Old Colony Railroads, was to continue?

Ans. It was for five years. I did not understand that the Dorchester and Milton Railroad Company had a right to renew the lease, if they saw fit.

Int. 4. Were you in favor of the Corporation building a Hotel in Plymouth?

Ans. Originally, I was opposed to it. I got up a subscription for about twenty-two thousand dollars, for building a Hotel, on the condition that the Old Colony Railroad would give the site for it.

Int. 5. Did you, as one of the Committee for building and furnishing the Samoset House, charge a commission for your services?

Ans. I charged a commission for buying the furniture of the Samoset House. I think I charged about two hundred and twenty dollars commission.

Int. 6. Did the Committee on the Samoset House report to the Board of Directors, the amount expended for building and furnishing the House?

Ans. We reported, from time to time, to the Directors. I think there never was a final report made, in regard to the whole cost of the Samoset House.

Int. 7. Had the Committee authority, from the Stockholders, to exceed forty thousand dollars, for the cost of the site, and building, and furnishing the House?

Ans. Forty thousand dollars was the limited appropriation for building the House. I am not certain as the site was included in that amount.

Int. 8. Did you approve of the charge to Construction Account, of $7,600 being cost of land for the site of the Samoset House?

Ans. I did not dissent from it.

Int. 9. Did you approve of charging to Construction Account the amount expended for repairs, and for furnishing the House?

Ans. I do not think that that subject was ever brought before the Board.

Int. 10. Who made the lease of the House, to Mr. Stetson?

Ans. The Committee leased the House. I was one of the Committee.

Int. 11. Was there a written lease, and was it executed?

Ans. I believe a written lease was executed. It was not a regular lease, but an agreement to keep the House in a certain manner; allowing something for use of furniture, &c.

Int. 12. Was an inventory made of the furniture and other articles of personal property belonging to the House when it was leased to Mr. Stetson?

Ans. Yes, Sir.

Int. 13. Was a receipt given by Mr. Stetson, for the furniture and personal property?

Ans. I think not.

Int. 14. Was an inventory made, when Mr. Stetson left the House?

Ans. I don't remember whether there was or not.

Int. 15. Was there an inventory taken, when the House was leased to Messrs. Parker & Tribou?

Ans. I think that an inventory was taken. I had little to do with the House then. It was then under the care of Mr. Hedge, principally.

Int. 16. Was the lease to Messrs. Parker & Tribou, verbal or written?

Ans. I don't know.

Int. 17. Did you approve of the lease to Messrs. Parker & Tribou?

Ans. I probably did. I did not dissent from it.

Int. 18. Did you make the lease, with the knowledge that the Old Colony Railroad Corporation was responsible for the supplies furnished to the House, in the keeping of it by Messrs. Parker & Tribou?

Ans. No, Sir.

Int. 19. Do you remember stating to Mr. Stetson that the Company wanted him to keep a first class House, whether money was made or not?

Ans. No, Sir. We considered it important to have a good House kept.

Int. 20. Did you approve of the alterations in the original plan of the House, made by R. Bond, Architect?

Ans. Yes.

Int. 21. Did the alterations increase the cost of the House?

Ans. I don't know whether they did or not.

Int. 22. What was the estimate for building the House, according to the plans made by Mr. Bond?

Ans. It was supposed that the cost of the House would not exceed twenty thousand dollars.

Int. 23. Did you subscribe for two hundred shares of stock in the Old Colony Railroad Corporation, issued in the early part of 1848.

Ans. I have an idea that I put my name down for some, to take it, in case no one else would. My original subscription was for one

hundred shares; and I sold fifty before the assessments were paid. At the time Mr. Derby came in, there was a considerable feeling to depress the stock.

Int. 24. How many of these shares were actually taken and paid for by you?

Ans. I never took any of them. I was told that it was necessary to take them, to keep them out of the market. If there had been any loss on them, I should have been obliged to have borne it; if profit, I should have been entitled to it.

Int. 25. Did you approve of the purchase of rights to subscribe to stock for the account of the Corporation?

Ans. I never knew of any such transaction. The question was never before the Board, to my recollection.

Int. 26. Should you have approved of the purchase, by and on account of the Corporation, of rights to take stock?

Ans. I hardly think I should. I was totally opposed to the Company speculating in its stock.

Int. 27. Do you know of any Companies having been formed for the purpose of speculating in the stock of the Corporation?

Ans. I knew that there were such Companies; but do not know who the individuals were who composed them.

Int. 28. Why was not new stock created in 1846 or 1847, when the stock was above par in the market, to pay off the large floating debt?

Ans. Mr. Quincy persuaded the Directors that it was inexpedient to issue stock at that time. If they would let him manage the finances, he would furnish all the means the Company wanted. This was the first fatal error of the Corporation. I believe that if it had not been for this, the stock would have been worth par to-day. I was totally opposed to borrowing money for the Corporation, when we could create stock, and sell it at par. Mr. Quincy was a large holder of stock at the time. I think he had some one thousand shares.

Int. 29. Have you had the the right of free passage over the road for yourself and family, since you retired from the direction?

Ans. Only for myself, for one year.

Int. 30. Were you in favor of recommending to the stockholders to build the Abington and Bridgewater Branch?

Ans. I don't think I ever voted on the subject. I had my doubts about it. The President had the most to do with it.

Int. 31. Did you use your influence with Mr. Derby, to change the present location of the depot to the foot of Pearl street?

Ans. I cannot say that I used any influence with him. I was on the Committee with him. I was opposed to coming on to the South Cove lands. I preferred, originally, to tunnel under Broadway, near the Catholic Church; and the Boston Wharf Company would have given us the right of way over their land if we would do it. After the depot was located, I never supposed it would be changed, on account of the great expense attending the change.

Int. 32. Did you, while a Director of the Old Colony Railroad

Corporation, use your influence to connect the Cape Cod Railroad with the Fall River Railroad?

Ans. No, Sir.

Int. 33. When on the Finance Committee, did you examine the Treasurer's accounts and books?

Ans. Yes, Sir.

Int. 34. Did you approve of his system of book-keeping, and care of the moneys?

Ans. We approved of the system.

Int. 35. Did you know, when on the Finance Committee, that Mr. Fletcher mingled his private cash with that of the Corporation?

Ans. No, Sir. I did not know that he had any private account.

Int. 36. Did you examine Mr. Fletcher's cash, as Treasurer, when you were on the Finance Committee.

Ans. I used to look at his balances. He made them agree.

EXAMINATION OF JOSEPH H. MOORE,

Superintendent of the Old Colony Railroad.

SATURDAY, FEBRUARY 16, 1850.

Interrogatory 1. How long have you been Superintendent of the Old Colony Railroad?

Answer. Since the 1st of August, 1845.

Int. 2. What are your official duties?

Ans. I consider it my duty to see to the running of the trains, and have charge of all the men upon the Road, subject to the orders of the President and Directors. My duties have never been distinctly set forth by the Directors, except what is expressed in the word "Superintendent." I feel that all the men on the Road are under my charge. I should not discharge a person, holding a responsible office on the Road, without the consent of the President. If I found any agent delinquent in his accounts, I should report it to the President. I have never had a case of an agent's failing to account, or discharge his duty, since I have been on the Road. I consider myself responsible for the money transactions in my office; although I think it should not be a part of my business to have any connection with the Treasurer. I approve all the bills of the Corporation. The machine shop, carpenter's shop, and paint shop, are under my charge, and I consider myself responsible for any neglect.

Previous to 1849, I have considered myself responsible for the wood business—but, since then, I have considered that the business of the President and Directors. I consider myself responsible to the President, for the articles in the machine shop, and paint shop—and see to the painting of the cars. I do not consider I have any right to alter the running of trains. I consider that the Road repairs come under my charge. I do not consider that I have the right to construct new tracks, either on the main Road, or the Branches, without the consent of the President.

Int. 3. Who decides to what accounts to carry the disbursements of the Company?

Ans. It is usual for myself, when approving bills, to carry them to the different accounts. I decide in regard to what is to be charged to Construction Account.

Int. 4. Have you discharged any servant of the Road, since you have been Superintendent?

Ans. Yes, Sir. I have discharged switchmen, brakemen, baggagemen, and may have discharged others.

Int. 5. Will you please state if your duties are distinct from those of the President?

Ans. I suppose, strictly speaking, that I should be subject to the President's orders; at all times, although I have managed the running of the trains. I should certainly execute any legal order the President might give. If I thought it impracticable to carry it out, I should try to make him think so; but if he did not, I should execute it.

Int. 6. Has there been, in the discharge of your duties, any difference between you and the President? If so, please state in what respects?

Ans. I have differed in opinion from him, in many respects, during the last year. In the course of the summer of 1849, the President had much to say, with regard to the machine shop. He wanted the foreman to be discharged, and wanted the wages of the men cut down; and in my judgment it would be detrimental to the interests of the Company to do so. We discussed the matter together, and it was referred to a Committee of the Board, and the matter was decided by the Committee, and some changes were made.

I never knew that we differed in regard to the force employed on the Road, for making repairs; as we were both desirous of reducing the force, and did reduce it, from time to time.

There was a question between us, whether or not we should do the stone business, and I left it for him to decide.

Int. 7. Has the Stone business been a profitable or unprofitable branch of business? How long has your attention been called to the fact of its being profitable or unprofitable?

Ans. I do not think the Stone business has been profitable. I have known this for several months. One reason why it has not been more profitable is, that we had not sufficient room at our depot to carry it on. I am unable to give the loss, if any has been made.

Int. 8. In the latter part of November, 1848, did you, or not, re-

port to the President, in respect to the Stone business? If yea, state what was your report.

Ans. The President has been furnished with monthly statements of the Stone business, for several months—perhaps as far back as December, 1848. I do not recollect what the report was, to the President.

Int. 9. Did you anticipate, in November, 1848, considerable revenue from the Stone business, or did you know that it was an unprofitable business?

Ans. My impression is, that we anticipated getting a certain quantity of stone, to be shipped for ballast, at that time, but I was not aware that it was unprofitable.

Int. 10. Did you think then, that from the business on the Granite Branch the Company would derive considerable revenue?

Ans. I did.

Int. 11. Were you in favor of purchasing the Mount Hope estate?

Ans. I was in favor of purchasing gravel for the Evans contract. I was in favor of purchasing Mount Hope, after Mr. Evans had decided to take it. I procured bonds, for a deed, of certain persons in Milton, to hold the estate for three months—long enough to give Mr. Evans time to see if he would be satisfied with it. And by referring to the deeds, I think you will find that they are dated subsequent to Mr. Evans's contract.

Int. 12. When did you discover the difficulty in respect to shovelling the gravel; and when was Mr. Evans obliged to abandon the Mount Hope estate for gravel?

Ans. I think that it was in June, 1848, that we discovered that there were boulders, which would impede the working of his machine. And he continued there till the fall of 1848, when he abandoned it.

Int. 13. Did Mr. Evans make frequent complaints, in the summer and fall of 1848, of the hard-pan at Mount Hope?

Ans. Yes; he did.

Int. 14. Were these complaints communicated to the President and Directors of the Company?

Ans. They were reported to the President from time to time. Mr. Evans used to scold, pretty often, about the material. He said it was hard; that he was losing money; and that it would be economy for the Company and himself, to try some other source. Mr. Derby was well aware that there was difficulty then.

Int. 15. What was done, in consequence of Mr. Evans's dissatisfaction?

Ans. I think that the answer to Mr. Evans was, that he had contracted to take the gravel from that place, and he must continue there, or obtain his gravel from some other source at his own expense; that the Corporation had fulfilled the contract on its part. I think that this was said by the President and myself. From November or December, 1848, to March, 1849, the train was discontinued; and Mr. Evans stated to the President and to the Board, that he should not resume his labors at that hill.

Int. 16. Had Mr. Evans threatened to abandon Mount Hope, before he did so? If so, how long before?

Ans. He had threatened to abandon it, before he did so. I am unable to state how long before. But he said a good deal about it.

Int. 17. Did you advise the President, or any other person, to take Mr. Evans's contract with the City, off his hands; and allow him a profit on the contract, and without any liability on his part; and allow him, for his bridges and cars, fifty thousand dollars?

Ans. No, Sir. I gave my opinion to the President, that it would be for the interest of the Company to furnish all the gravel, under the Evans contract, which would be wanted to fill the lands east of Harrison avenue, at twenty-five cents per yard. This would leave three cents per yard, to compensate Mr. Evans for supplying the gravel west and east of Washington street, and for building and guaranteeing the walls. I consider the bridge worth what it cost.

Int. 18. Could not a prudent man, have discovered, by sinking shafts, or otherwise, previous to purchasing the Mount Hope estate, that there was hard-pan?

Ans. It would depend on the points where the shafts were sunk. I think it would have been better to have sunk shafts. And if the Corporation had been purchasing on its own account, I think that it would have done so. But as the Corporation was making the purchase for other parties, whom it considered competent, it depended on their judgment.

Int. 19. Is the Mount Hope estate as valuable, as it was before the sale of a part of it for a piggery location?

Ans. I don't think it is. I think that if the piggery was out of the way, we could sell it for something more than we could with that on it.

Int. 20. Under whose advice was the land sold for the piggery?

Ans. It was sold under the advice of Mr. Derby and myself, with the expectation that Mount Hope would be removed into Boston; and that, therefore, no harm would result from the piggery.

Int. 21. Why was the profit, on the land sold for a piggery, carried to Reserved Fund, when Mr. Evans was entitled to the profit?

Ans. The profit of the sale was carried to Income account. I made no division of it, myself, but it was so carried by advice of the President. That is my impression; for I remember that Mr. Derby conversed with me about it.

Int. 22. Do you remember whether the contract had been made, by which Mr. Evans assumed the Mount Hope estate, when Mr. Derby conversed with you about the proper account to which to carry the profit of the sale of land?

Ans. I think it had.

Int. 23. Do you know of any measures which have been adopted, for the extension of the Gravel business for the coming year, beyond the business of the last year?

Ans. An engine has been purchased, with a view of putting on a second train.

Int. 24. Has any profit resulted, from the Gravel business, as it

has been conducted, up to this time, allowing that Mr. Evans will assume the Mount Hope estate? If so, what?

Ans. I should think that there has been a profit, of some three to four thousand dollars, up to December 1, 1849.

Int. 25. Do you think that the present contract with Mr. Evans, is favorable to the Corporation?

Ans. I assume that the contract with Mr. Evans will be carried out; and if it is, I think that it will prove a good one.

Int. 26. What *per centage*, of the annual wear and deterioration of the whole track and road, do you apportion to the Gravel business?

Ans. I should say that it should be a full proportion of the whole business of the Road, taking into view the number of miles run, and the tonnage carried.

Int. 27. Do you not attribute to the gravel trains, a greater *per centage* of wear of the track and road, than you estimate in your above answer, over that portion which the gravel trains run?

Ans. I answer as above. But will answer more fully, after some calculations.

(March 6th.) After making the calculations, I confirm the previous statement.

Int. 28. What are the principal causes of the rails of the new track being so much crushed as they are, between Boston and the gravel turn-out?

Ans. I think that the quality of the iron is somewhat inferior to that on the old track. And probably the gravel, and other heavy trains, are the cause of it. I think that the twelve-wheel engines of twenty-eight tons, are less injurious to the rails than any engine of twenty or twenty-two tons, with eight wheels.

Int. 29. Have the gravel trains suffered, from any want, or inferiority of fuel?

Ans. Not to any extent.

Int. 30. Has the Old Colony Railroad Company realised any profit from its contract with the South Shore Railroad Corporation?

Ans. I think that it has not realised any profit from the contract.

Int. 31. What loss do you think it has suffered thereby?

Ans. I do not think that I can vary the answer from the above.

Int. 32. Has the Old Colony Railroad Company realised any profit from its contract with the Dorchester and Milton Railroad?

Ans. I think that the Dorchester and Milton Road stands with us, about the same as the South Shore. I think that we have made no great profit or loss.

Int. 33. Has the Old Colony Railroad Company realised any profit from its contract with the Fall River Railroad?

Ans. I think it has.

Int. 34. From what source do you think that the profit has been realised?

Ans. Both from passengers and freight.

Int. 35. Do you think that as much profit has been realised from passengers as from freight?

Ans. I think that more has been realised from the passenger, than from the freight business.

Int. 36. Do you form your opinion from actual calculation, or from conjecture?

Ans. From actual calculation.

Int. 37. Do you think that a profit has been realised from the Abington and Bridgewater Branch?

Ans. No, Sir. I do not.

Int. 38. Has there been a loss? If so, to what extent?

Ans. I think that there has been a loss of more than five thousand dollars, for the past year.

Int. 39. In making your estimates of the profit or loss which has accrued to the Corporation, from all the Branch Railroads, above referred to in the 31st, 32d, 33d, 34th, 35th, 36th, 37th, and 38th Interrogatories, have you estimated the earnings of the Branches *pro rata*, according to the length of each Road, giving the Old Colony Railroad its proportion of earnings; or the joint earnings of the Old Colony Railroad and the Branch, giving to the Branch the whole receipts of the trains run jointly on the Old Colony Railroad and the Branches?

Ans. On the joint earnings of the South Shore, and Dorchester and Milton Roads; and on the *pro rata* earnings of the Abington and Bridgewater, and the Fall River Railroads.

Int. 40. Are you a Stockholder in either the Old Colony, the Fall River, the South Shore, or the Dorchester and Milton Railroad? If yea, state in what Companies you own stock or bonds of the Road?

Ans. I am a Stockholder in the South Shore Railroad, only.

Int. 41. How far are you responsible for the statements contained in the different annual reports?

Ans. I feel myself responsible for all the statistics I furnish.

Int. 42. Do you think that the annual reports, since you have been Superintendent of the Old Colony Railroad, have fairly and faithfully exhibited the business and situation of the Company, to the Stockholders?

Ans. Yes. I do at the time they were made; so far as the statistical facts are concerned, that I furnished. The report of 1848 seems to have anticipated the most favorable results from the investment.

Int. 43. Were you in favor of changing the location of the depot to the foot of Pearl street?

Ans. Yes, Sir; I did favor it. There was some difficulty at South Boston, arising from the obstruction of the street, by our Road, and therefore I wanted to change the depot.

Int. 44. Do you keep a cash book, in which you enter, separate from your private funds, the money of the Corporation?

Ans. Yes, Sir.

Int. 45. How often do you pay over your receipts to the Treasurer?

Ans. At this time I pay over daily.

Int. 46. How long have you paid to the Treasurer daily? What was your practice formerly?

Ans. Previous to a vote which was passed, a few weeks since, by the Directors, the monthly pay-rolls were paid at the Superintendent's office: and then the returns were not, on that account, made to the Treasurer so frequently. I receive all passenger and freight money from all the agents of the Road, and I issue tickets.

Int. 47. Do you, as Superintendent, or personally, owe the Corporation?

Ans. No, Sir.

Int. 48. Have you been in the practice of mingling your private cash with that of the Corporation?

Ans. No, Sir. I always kept my money separate from that of the Corporation, and kept my books separate.

Int. 49. What check is there upon the different station agents, in respect to their accounts?

Ans. The agents are charged with the tickets, as they are sent from the Superintendent's office; and a regular account is kept with them. They are credited with all the money they send in, and are settled with once a week.

Int. 50. Should not the returns made by the different way agents correspond with the books the Superintendent and Master of Transportation?

Ans. Yes. They should.

Int. 51. Do they?

Ans. I understand, from the Master of Transportation, that they do not, in all cases.

Int. 52. Has the Master of Transportation made frequent complaints to you, in this respect?

Ans. The Master of Transportation has made complaints to me of the incorrectness of the returns.

Int. 53. Has the Master of Transportation requested you to discharge any of the agents, on account of their incapacity?

Ans. In one case he did. He has often spoken to me about the incorrectness of the accounts.

Int. 54. Did you examine into the matter, sufficiently to form a correct judgment, whether the complaints were well founded or not?

Ans. I have no doubt that the complaints were justifiable. But I saw no way of improving the condition of things, without employing better accountants at the stations in question, which would, of course, subject the Corporation to additional expense.

WEDNESDAY, FEBRUARY 20, 1850.

Int. 55. What proportion of the station agents make correct returns?

Ans. I might say that they are all capable, but they are not good accountants. I am not able to state what proportion are incapable of making correct returns, without reference to the books.

Int. 56. Do you supervise the accounts of the agents?

Ans. I do not. That is, I have not thus far, fully. The Com-

mittee on Accounts attends to this. My duties, as Superintendent, would not allow me time to attend to that duty, so as to know, from my own knowledge, that they are correct.

Int. 57. Do the Directors, or a Committee of them, examine, at stated times, the accounts of the different way-agents?

Ans. I am not aware that they do.

Int. 58. Who, then, examines these accounts?

Ans. The passenger accounts of the way-agents are kept at the Superintendent's office, by his clerk. The freight accounts are kept by the Transportation Master.

Int. 59. Are all the accounts of these agents kept correctly?

Ans. We endeavor to keep them correctly.

Int. 60. What examination do these accounts undergo?

Ans. I have seen a Committee on Accounts, from the Directors, examining the accounts in the Superintendent's office.

Int. 61. How many times have you seen the Directors examining these accounts? Did they do it statedly?

Ans. I have often seen a member of the Committee there. But the accounts have never been thoroughly examined, to my knowledge, but once.

Int. 62. When was it that these accounts were thoroughly examined once?

Ans. I think it was the first part of last January. It was after the Committee of Investigation had been appointed.

Int. 63. Do you examine the freight, or ticket clerk's accounts?

Ans. No, Sir; I have supposed that was the duty of the Committee on Accounts.

Int. 63 1-2. Did you ever examine these accounts, and satisfy yourself of their correctness?

Ans. No, Sir. I have, when any mistake has been reported, always endeavored to look into it.

Int. 64. Who have reported such mistakes, and when?

Ans. I am unable to say when. But when they have occurred it has been reported to me by the Superintendent's clerk. They have not often occurred.

Int. 65. What action did you take, when reports of mistakes were made to you?

Ans. I have told the clerk to re-examine the accounts, and find out the mistake. I don't remember of any loss from any mistakes.

Int. 66. Has there been any actual supervision of the Superintendent's clerk, in respect to tickets?

Ans. Not beyond the inspection of the Committee on Accounts.

Int. 67. Is there any check upon the ticket clerk?

Ans. We have to trust to his integrity. He has full charge of the tickets. He might, if he were disposed, take tickets out of the office, and sell them, or give them away. This could not be done to any great extent, without detection.

Int. 68. How could it be detected?

Ans. I don't believe that any man can carry out a system of fraud, to any great extent, without being detected. There is no particular check upon the ticket clerk.

Int. 69. Does not the Superintendent's clerk sell tickets, at the ticket office, sometimes?

Ans. He does.

Int. 70. Why has the ticket clerk kept so large an amount of cash on hand?

Ans. The ticket clerk makes returns of all his cash to the Treasurer, every day.

Int. 71. For how long a time has the practice of his making daily returns existed?

Ans. Since the recent vote of the Directors, we make daily returns. Previously to that, less frequently.

Int. 72. Is there any check, upon the returns of the freight business done by the Fall River Railroad?

Ans. The books are kept by the agents of the Fall River Railroad Company, and we have access to them. We take their weekly returns, and a final settlement is made once a month.

Int. 73. Are the books of the Fall River Railroad ever examined by you, or any one, in behalf of the Old Colony Railroad Company, for the purpose of seeing that these weekly returns, and monthly settlements are correctly made?

Ans. Not to my knowledge.

Int. 74. Do these returns embrace the cash receipts, and number of tons of freight; or barely the cash, alone?

Ans. The weekly returns are made to the Master of Transportation, and I don't know whether they embrace the cash receipts and tonnage, or not.

Int. 75. How is the amount of tonnage made up, in regard to the Fall River Railroad business, in your reports to the Legislature?

Ans. It is taken from the Treasurer's settlement.

Int. 76. Are the total cash receipts for freight, on the Fall River Railroad, divided by the tariff rates, to find out the number of tons to be reported to the Legislature?

Ans. I suppose that they are. The tonnage is rendered by the Master of Transportation.

Int. 77. Are the cash receipts divided by the tariff rates, in estimating tonnage,—without any regard to discounts on special contracts—on the Fall River Railroad business, done on the Old Colony Railroad?

Ans. I am unable to answer, without referring to the books.

Int. 78. Is there not a large discrepancy in the returns made by the Fall River Railroad, and those rendered by the Old Colony Railroad, to the Legislature, for the years 1848 and 1849, in respect to the tonnage of the joint business of these Roads?

Ans. I am not aware of any discrepancy.

Int. 79. Have special contracts been made, by the Fall River Railroad Company, for carrying freight, over the Old Colony and Fall River Railroads?

Ans. Yes, Sir.

Int. 80. How are the joint freight earnings apportioned, between the Fall River Railroad and the Old Colony Railroad?

Ans. *Pro rata.*

Int. 81. What is the difference in the rate of freight from Boston to Bridgewater, on the Fall River Railroad, and between Boston and Bridgewater, on the South Abington Branch?

Ans. The tariffs are the same, I suppose. The Fall River Railroad Company have a special contract with Lazell Perkins & Co., for doing the freight business of the Iron works, at less than tariff rates. Discounts are made to other parties, on Fall River freight; but whether under special contracts, or not, I don't know.

Int. 82. Does the Old Colony Railroad suffer any loss, on account of this contract?

Ans. It, of course, receives less than it would at the regular tariff rates.

Int. 83. Why does the Old Colony Road submit to the loss?

Ans. The contract of the Fall River Road with the Iron Company, was made about the time of the opening of the Fall River Road, and that Road came on to the Old Colony Road with that contract on its hands. The matter was referred to Mr. Derby; and we have settled, according to his instructions, for about a year and a half.

Int. 84. Have all these discounts, under special contracts, or otherwise, by which the Fall River Road gains an advantage over the Old Colony Road, been made under the approval of Mr. Derby?

Ans. I have understood that they have. I have never consented to any reduction which has come to my knowledge, without the approval of Mr. Derby. I consider all matters relating to special contracts wholly in the hands of the President.

Int. 85. Have your monthly settlements with the Fall River Railroad, in respect to freight, been final settlements, or do they remain, in any manner, open for future arrangement?

Ans. The monthly settlements have been made by the Treasurer. And I am unable to say, of my own knowledge, whether they are final or not.

Int. 86. How have the charges for loading and unloading freight, and the use and risk of cars, on account of the joint business of the Old Colony Road and the Fall River Road, been adjusted, between the Roads?

Ans. The price for loading and unloading, is paid *pro rata*, according to the number of miles run on each Road. The allowance to the Fall River Road, for the use and risk of cars, and risk of freight, while on the Old Colony Road, is half a cent per ton, per mile, and this is paid in full to the Fall River Road, on the special contracts.

Int. 87. Do you have the supervision of the Treasurer's office?

Ans. I do not.

Int. 88. Have your accounts and those of the Treasurer agreed, in respect to the business done between the Treasurer's and Superintendent's offices, when you have had settlements?

Ans. I have not examined the books. The books in the Superintendent's office have been kept by Mr. R. L. Merriam. I have understood that there have been discrepancies between the books of the different offices. I have understood that they have not agreed, in all cases; but, upon examination of the books and receipts, I believe that the mistakes have been rectified, and the accounts have been made to agree.

Int. 90. What surpervision do you exercise, over the books and accounts in the Superintendent's office?

Ans. The books in the Superintendent's office, are kept by Mr. R. L. Merriam, and I have access to them. I have never examined them for the purpose of verifying them.

Int. 91. Has any one examined the books and accounts of your office, as kept by Mr. R. L. Merriam; or the books and accounts of the Freight Agent; or the books and accounts of the joint freight and passenger business of the Old Colony Road and Fall River Road, for the purpose of verifying them?

Ans. The books in the Superintendent's office were examined by the Committee on Accounts, in January last, as I have before stated. One of the Committee had books from the freight house, for several months, for the purpose of examination, I presume. I am not aware that the books of the joint business of the Fall River and Old Colony Road, have been examined.

Int. 92. Have there been profits, derived from the Ice business?

Ans. I think that there has been some profit from it, as it has been done in connection with our other freight business.

Int. 93. When the special trains have been run for the Ice, has there been any profit realised therefrom?

Ans. I shall be unable to answer that until I ascertain the number of tons brought by the special trains.

Int. 94. When the freight trains go to Plymouth, in the winter, do they go down full, and come up light, or the contrary?

Ans. I shall have to go to the Master of Transportation, before answering that question.

Int. 95. Has the Paint shop been conducted under good management, during the last three years?

Ans. I have had confidence in the management of the Paint shop.

Int. 96. Have you allowed paint, and other materials, to be sold from the shop, to different individuals?

Ans. I have; to persons in the employ of the Corporation.

Int. 97. Have you had complaints made to you, that the business of the shop had not been well managed, and that the foreman had sold, or applied to his own use, materials, without rendering an account of them, to the Corporation?

Ans. Quite recently I have. Within a week. Last summer there were insinuations made, by the men; but no specific charges, till within four or five days.

Int. 98. Were any complaints made to you, in the Carpenter's shop, during the last year, in regard to materials which it was alleged, Mr. Hazeltine, the foreman of the Paint shop, had taken?

Ans. I did not know, at that time, of any specific charges.

Int. 99. Did you examine Mr. Hazeltine's books to see if he had accounted for materials which he had sold?

Ans. I had no suspicion, that he had not returned all the money he had received for sales.

Int. 100. Did you examine Mr. Hazeltine, and satisfy yourself, that he had not taken, nor sold, materials from the Paint shop, on his own account?

Ans. I did not examine him, on that point. I had no reason to suspect Mr. Hazeltine. I had full confidence in him.

Int. 101. Did you assent to the sale, by Mr. Hazeltine, of materials from the shop; and to his not accounting, for the proceeds of such sales?

Ans. No, Sir.

WEDNESDAY, FEBRUARY 27, 1850.

Int. 102. How many cars did you have painted, in the year 1849?

Ans. Nine passenger cars, and two baggage cars have been painted during the year 1849; and two passenger cars were varnished, also.

Int. 103. How can you tell, whether or not the Conductors give correct returns of the cash they receive in the cars?

Ans. I have no means of knowing that they make their returns correctly.

Int. 104. What supervision has been practised, by the officers of the Road, in regard to persons passing over the Road, who have had season tickets?

Ans. All season tickets are issued from the Superintendent's office; and the Conductors on the Road, are furnished, from time to time, with a list, containing the names of all season ticket holders, and the date of expiration of such tickets; which list, I regard of very little importance, so long as the Conductors are unable to recognise each individual season ticket holder by name—which, I think can but seldom or never happen, upon roads where any considerable number of persons hold season tickets. Therefore I am fully satisfied, that the only course which can be adopted, to enable the Conductor to know, beyond a question, the number of season ticket passengers, in his train, is to require the exhibition of all tickets, free, and season, as well as others.

Int. 105. Have you had wood, brought from Plymouth to Boston, sawed it in Boston, and then carried it to Cohasset?

Ans. The Cohasset station has been supplied with wood from Boston, since the opening of the South Shore Road; and during a few weeks last fall, being short of seasoned wood in Boston, we brought nearly all the wood used at Boston, from Plymouth. Hence the Cohasset station was supplied with wood from Plymouth *via* Boston.

Int. 106. Has the President of the Old Colony Railroad Corporation, had a supervision of your books, or has he ever examined them?

Ans. I am not aware that he has.

Int. 107. Do you think it proper to charge to Construction Ac-

count, the balance of loss, which might happen to the Corporation, on account of the business of the Samoset House, for any one year?

Ans. No, Sir. I think that the loss should be charged to Income.

Int. 108. Do you think it proper to charge to Construction Account, the cost of additions to the house and appurtenances, when with these additions, the value of the property is known to be not so great as the amount already charged for it, to Construction Account?

Ans. I think it would be. Additions should, in my opinion, be charged to Construction, though repairs should be charged to Income.

Int. 109. Do you think that the charge of $8025, for loss by fire of lumber at Neponset, was properly charged to Construction Account?

Ans. The engine employed in constructing the second track, was standing on the side track, near the lumber yard, for fifteen or twenty minutes before the fire broke out; and it was supposed that the fire was communicated from the engine. If that were the case, it seems to me that the loss was properly chargeable to Construction Account.

EXAMINATION OF WILLIAM J. MERRIAM,

General Freight Agent of the Old Colony Railroad.

THURSDAY, FEBRUARY 14, 1850.

Interrogatory 1. How long have you been Master of Transportation, and what are your duties?

Ans. It will be four years the 7th of next March. I have charge of the freight. I carry out the Company's tariff as near as I can, and make returns. Part of the returns are made to Mr. Fletcher, and part to Mr. Moore, Superintendent. The Cape Cod, the Fall River, and the New York freight, is returned to Mr. Fletcher. And the Old Colony, the South Shore, the Bridgewater Branch, and the Dorchester and Milton Branch freight, to the Superintendent.

Int. 2. To whom do you return your cash collections?

Ans. The Fall River freight is collected on the Fall River Road, mostly, and throws a balance of about sixteen hundred dollars a month in our favor. I return a statement of the Fall River, the New York, and the Cape Cod freight, monthly to Mr. Fletcher, and Mr.

Fletcher makes the settlement. Mr. Fletcher makes up the car and risk account, and the loading and unloading, and receives the balance of money. The cash collections which I make on the Old Colony Road are returned to Mr. Moore.

Int. 3. How many men are under you in the freight department?

Ans. We average eight, at present. We used to do the Fall River business, and then we had more.

Int. 4. Who examines and verifies the freight accounts of the station agents?

Ans. I keep them as near right as I can, by writing to them. I cannot say that the station agents are under my supervision. I should have the control over these agents, as far as freight is concerned. But the Directors, or some of them, occasionally give counter directions, and I am unable to enforce a regular system of collections, &c.

Int. 5. Will you please state who interferes with your faithfully discharging the duties of your office?

Ans. Mr. Derby and Col. Sever.

Int. 6. Please state in what manner there is interference, and how it has been exercised.

Ans. In occasionally cutting cars from the trains which I way-bill, and previously promise shall be at the different stations.

The Road repairers are ordered by some of the Directors to take cars.

I have tried, very hard, to keep our cars from going on the Fall River Road; and have given positive orders to Mr. Moore, at South Braintree, not to let our cars go on to the Fall River Railroad, as we get nothing for the use of the cars which are put on the Fall River Road, and are short of cars also. But my orders are disobeyed, and the cars get on to the Fall River Road, occasionally.

I have had trouble with some of the Engineers at South Boston. They do anything, for my department or not, as they choose. I mean in shifting or arranging cars, in making up trains; and I have had to hire help to do this work, which the Engineers should have done.

I have had some trouble on the wharf. It has been understood, with Mr. Derby, Mr. Moore, and Mr. Lathrop, that I should have charge of the wharf. Mr. Derby has given orders to have a certain quantity of wood taken on to the wharf from vessels, in a certain time, without paying any regard to the freight business; meaning, however, probably, that Mr. Lathrop should be subject to the freight business. But Mr. Lathrop has construed his orders strictly, and has thus interfered with my department; and the wharf has been, thereby, crowded; and extra labor obliged to be performed, by working to disadvantage.

I have given up, two years ago, any idea of getting correct accounts from some of the station agents; some of the agents are very good ones.

My books are not connected with, and do not correspond with, the station agents' books, except on freight to and from Boston. The way station freight accounts, do not tally with each other, on account of the agents not carrying out the system. I have made complaints of this

to Mr. Moore, the Superintendent, but he has not rectified the trouble. I told Mr. Moore that it would be impossible to give him a correct account, if such and such men were kept on the Road, and that we should get into difficulty. We have men at the stations who are incapable of giving an account of the freight at their stations. These agents have not been dismissed.

On account of these things, I have been prevented from discharging my duty as I should have done, if the agents had been more capable.

Int. 7. What system of checks exists in the freight department, for the purpose of testing the integrity of the servants of the Corporation?

Ans Every agent sends a duplicate way-bill to me, at Boston. This applies to the Old Colony Railroad and Branches. There is no check on the freight business done with the Fall River Road, in connection with the Old Colony, including Cape Cod and New York freight.

Int. 8. How do you know, then, that the returns made to you, by the Fall River Railroad agents, are correct?

Ans. I don't know that they are correct. I merely take their statement.

Int. 9. Is there any system established, between the Old Colony Railroad Corporation and the Fall River Railroad Corporation, by which the Old Colony Railroad Corporation can ascertain that it has true returns of the freight?

Ans. No, Sir.

Int. 10. What is the average amount, per month, of the freight business done on the Fall River Railroad, which is apportioned to, and belongs to the Old Colony Railroad?

Ans. Our proportion, which we receive, from the Fall River Railroad, for freight earned on our Road, is about fifteen to sixteen hundred dollars per month.

Int. 11. What amount does the Old Colony Railroad nett, from this business?

Ans. I cannot tell; as I know not the amount of the car and risk account, and the account for loading and unloading, which amounts are to be deducted from the aforesaid average of fifteen hundred dollars—which is the gross sum received, per month, for freight. I should think that we might nett about twelve hundred dollars per month.

Int. 12. Will you explain how the freight earnings are apportioned between the Fall River Road and the Old Colony Road?

Ans. It is *pro rata*, according to the number of miles run. We receive as much, per mile, as the Fall River Road receives, for the Fall River Road business.

Int. 13. How does the rate of charge for the Fall River Railroad business and the Old Colony Railroad business, correspond, for the distance between Boston and South Braintree?

Ans. The charge for Fall River freight on the Old Colony Road, to South Braintree, is thirty-eight cents and seven mills per ton, by the *pro rata* system. The regular freight, from Boston to South Braintree, is eighty-five cents per ton.

Int. 14. What is the difference between the rate for freight from Boston to Bridgewater, over the Fall River Road, and between Boston and Bridgewater, on the Abington and Bridgewater Branch?

Ans. The tariff rate is the same. But by special contract, the Fall River Road takes heavy freight, for parties, at eighty-six cents per ton; while the Old Colony, *via* Abington and Bridgewater Branch, charge one dollar and seventeen cents per ton, being their lowest rate.

Int. 15. Will you please explain the reason for this difference?

Ans. The Fall River Railroad makes contracts with the parties sending freight at these rates.

Int. 16. What contracts do you refer to?

Ans. The contracts are with Lazell Perkins & Co., Fall River Iron Company, Tremont Iron Company, J. B. Toby & Co., Parker Mills, Sandwich Glass Company, Monamet Iron Company, J. Keith, H. Perry & Co., and a few others, that I have no account of.

Int. 17. What is the difference between the tariff and the contract-rate, which the Fall River Railroad has established?

Ans. The tariff-rate to the Tremont Iron Company, would be $9\frac{1}{2}$ cents per hundred, and the contract rate, 7 cents.

To the Parker Mills,	tariff	rate,	10	cents,	Contract	rate,	7	cents.
Monamet Iron Co.	"	"	$11\frac{1}{2}$	"	"	"	7	"
J. B. Toby & Co.	"	"	$9\frac{3}{4}$	"	"	"	7	"
Sandwich Glass Co.	"	"	12	"	"	"	$7\frac{1}{2}$	"
J. Keith,	"	"	$11\frac{1}{4}$	"	"	"	8	"
H. Perry & Co.	"	"	11	"	"	"	8	"

Lazell Perkins & Co., 36 *per cent.* discount from tariff rates; Fall River Iron Company, 20 *per cent.* discount from tariff-rates.

Int. 18. How long is it since these contracts have existed?

Ans. The contract with Lazell Perkins & Co., and the Fall River Iron Company, were made at the opening of the Fall River Road. Most of the others, have been made within a year and a half.

Int. 19. Why, then, does any freight come over the Abington and Bridgewater Branch to Boston?

Ans. Whatever little transient freight there might be, we should run our chance of getting. But the bulk of the freight is taken by the Fall River Railroad, under special contract.

Seven eighths of the freight, to and from Bridgewater, comes over the Fall River Road, by special contract, or under sub-contracts, with the above named contractors.

Int. 20. What do you mean by sub-contracts, with contractors?

Ans. In some cases, freight is sent out to individuals, under the name of the special contractors above referred to. And in other cases these contractors can sell heavy goods, for a discount equal to thirty-six *per cent.* on the tariff-rates of freight between Boston and Bridgewater.

This contract with Lazell Perkins & Co., of thirty-six *per cent.* off, was allowed, from our way stations, for some time. Lazell Perkins & Co. claimed that, under the contract with the Fall River Railroad, they were entitled to thirty-six *per cent.* off, from our way stations, as

well as between Boston and Bridgewater. Quite recently, we have charged Lazell Perkins & Co., the same as others, from our way stations.

Int. 21. Have you spoken to the President and Superintendent, on the subject of these contracts for freight, by the Fall River Railroad, over the Old Colony Railroad? If yea, state if any thing, and what, was said, or done, therein, by the President or Superintendent.

Ans. Yes, Sir. I have spoken to the President, Mr. Derby, and to Mr. Moore, the Superintendent; but nothing was done in regard to it, to my knowledge. I gave Mr. Derby and Mr. Moore a list, showing the names of the contractors, and the contract prices fixed between the parties and the Fall River Railroad, and showed the loss to the Company.

Int. 22. Will you please state what profit, or loss, accrues to the Old Colony Railroad Company, from the New York freight business?

Ans. I think that there is a loss to the Old Colony Railroad Corporation. The whole amount received, for New York freight, for the year ending November 30, 1849, was $77,898.38; the proportion which the Old Colony Road received, was $5,588.87; out of which was to be paid one half of a cent. per ton, per mile, for cars and risk, and a *pro rata* porportion, of ten cents per ton, for loading at Fall River and unloading at Boston.

The number of tons carried, for that year, was 12,983, the number of miles run on the Old Colony Railroad, for the business, was 7196; the *pro rata* division is, as $11\frac{1}{2}$ to $41\frac{1}{2}$, for the respective number of miles on the length of each Road, after giving the boat two thirds of the gross amount.

There is a passenger car attached to the freight train, which is not taken into the above account. But it is so irregular, that the Old Colony passengers do not travel in it much, and it is of no especial advantage to the Old Colony Corporation.

Int. 23. Please state what wharf privileges the Fall River Railroad Company have, and what rent, or wharfage, they pay?

Ans. They have the exclusive use of the wharf near their freight depot, and pay no rent, to my knowledge. This wharf is so situated that there is one draw less to go through, than in going to the wharf used by the Old Colony Road; and vessels will therefore go to the wharf used by the Fall River Road in preference.

Int. 24. Do you know any thing of the cost of the Plymouth wood which has been used at the Cohasset station? If you do, please state what it has cost, and explain your means of knowledge.

Ans. In some cases, I think it has cost more than eight dollars per cord, at Cohasset. The cars, in the first place, run light to Plymouth; the wood is taken from there to South Boston on the freight train; we cannot get on to the wharf with it at that time, and go on to some back track, and it is shoved round by hand, until a chance offers to get it on to the wharf; it is then unloaded and wheeled back to the saw, on wheelbarrows; then sawed and thrown into a bin, and reloaded on the main track—to do which we have to drop all other business, to a great inconvenience and loss of time; it is then run to Cohasset, and, in most

cases, the cars come up light. This shifting makes up the expense, in my opinion, to eight or ten dollars a cord.

Int. 25. For what time, did this system of providing wood for the South Shore stations, exist; and when; and what loss do you think that the Corporation suffered thereby?

Ans. It lasted about six months; between January and December, 1849. We have used, perhaps, from three to four cords a day, at Cohasset.

Int. 26. Was the general system of providing wood for the Corporation bad? If yea, please state to what extent you think that the Corporation has suffered, during the year 1849, on account of the system?

Ans. I think that the wood business has been badly managed, and the Corporation has suffered to the amount of some ten or fifteen thousand dollars by this bad management.

Int. 27. Do you think that any system of checks could be adopted, in your department, which would secure more reliable returns? If yea, please state what.

Ans. Yes, Sir. I think that there could be; by having duplicate way-bills, from the Fall River Road, and roads connecting with it.

Int. 28. Can any thing be made, in your opinion, by carrying Stone, as it has been done, by the Corporation?

Ans. I should think not. The whole amount of receipts, for the Stone business, in 1848, was $1800; the expense, at Quincy, for loading and labor, was $1400; leaving a balance of $400, for use of cars, unloading in Boston, collecting freight bills, and losing $250 by bad debts.

For the year 1849, the receipts for freight of Stone did not pay the expense of the men we kept at Quincy, for the purpose of loading it. We carried 1598 tons, and received $559.40 freight money.

Int. 29. Did you ever report to Mr. Derby, or to the Superintendent, the items of expense attending the Stone business, and did you call the attention of either of them, to the fact, that no profit could be realised from this branch of business?

Ans. I reported monthly to Mr. Derby, the amount received from the Stone business, and the cost of doing it. The year ending November, 1848, I gave him a statement for the year, and told him that the Stone business was giving us no profit, and the more we did, the more it run us in debt.

Int. 30. Can any thing be realised, in your opinion, by carrying Ice, as the business has been managed by the Corporation?

Ans. I should think not.

Int. 31. Please state on what facts you base your opinion.

Ans. The receipts for the Ice freight, for 1849, were $5285.16. The pond is badly located for us; it is twenty-seven miles off, making it difficult to manage the business with despatch and economy. We run some special trains for Ice. This year the freight on Ice has been $250. We have fitted up forty cars for the business, and run three extra trips.

Int. 32. Please state what portion of the Ice, during the year 1849, was brought by special trains, and what by the regular freight trains?

Ans. I should say that one third of it, was brought in special trains. The freight trains generally go down light to Plymouth, and return full. The principal part of our Ice business is done during the winter.

EXAMINATION OF ROBERT L. MERRIAM,

Superindentent's Clerk of the Old Colony Railroad.

SATURDAY, MARCH 2, 1850.

Interrogatory 1. How long have you been in in the service of the Old Colony Railroad Company, and in what capacity?

Answer. I have been in the service of the Old Colony Railroad since August, 1847, in the capacity of Superintendent's Clerk.

Int. 2. What have been your duties as Superintendent's Clerk?

Ans. To furnish the tickets, to receive all the moneys for tickets, and to settle the accounts with the agents who receive tickets. I also receive moneys for freight.

Int. 3. Since you have been Superintendent's Clerk, have your books, or accounts, with the Company, been examined by any person, or persons?

Ans. No, Sir. They have not.

Int. 4. Have the accounts of the agents been examined for the purpose of seeing whether, or not, they have been kept correctly?

Ans. No, Sir. The agents' books have not been examined.

Int. 5. Do you know whether the agents have faithfully kept their accounts, and made correct returns?

Ans. I know there have been discrepancies in our monthly settlements, but my books will show the amount of the discrepancies.

Int. 6. Have you always found the errors which have occasioned these discrepancies?

Ans. I have in some cases—in some I have not. If the tickets were returned to me so that I could count them correctly, I have thought I should be able to correct these discrepancies. I charge the agent with whatever tickets he has during the month, and require him to return the amount in money or tickets. He does not return the tickets, but the report of the number he has on hand.

Ans. I do not, Sir. I never count them.

Ans. I do not, Sir.

Ans. No Sir. There is no such examination. On some Roads the name of the way-agent appears on the ticket, but the Superintendent's name only is on our tickets. Recently however, Mr. Keene's name has been printed on the tickets for the Kingston Branch, and the agent countersigns them.

Ans. There has not. Sir. The Freight Agent's pass-book is of course compared with my book.

Ans. It is a book, and this account, after being examined is returned once a year to the Superintendent.

Ans. I am not aware that it has been.

Ans. When there is a discrepancy, it is not to my satisfaction. Will some agents discrepancies never occur?—I will admit that frequently occur.

Ans. They are collected by the Steamboat Conductor. The tickets that are sold in Boston are taken up by the Steamboat Conductor, and returned to the office at Fall River. From that office they are sent back to Boston to the Superintendent's office and receipted for. Tickets that are sold in New York are taken up by the Conductor and returned to the Boston office, first sent up to Fall River for which I receive a receipt. The Conductor is employed and paid by the Fall River Railroad.

Ans. There is not. Sir. All the return I have, is the number of tickets returned by the Conductor.

Ans. I should think between thirty and forty thousand dollars.

Ans. I do not. Sir.

Ans. They are not, Sir.

Int. 18. Could you detect the loss, if any tickets were stolen from the office?

Ans. A small number of any one kind I could not detect. I keep no record of the number of each kind of tickets I have on hand. The only way I should detect the loss of tickets would be from my suspecting they had been taken, on account of the small number, I might find in the drawer.

Int. 19. What proportion of all the tickets sold on the Road, is sold by the agent in Boston?

Ans. I should say, including the business we get over the Fall River Railroad, that he sold three quarters of all the tickets.

Int. 20. Did you ever examine the cash and tickets of the agent in Boston, for the purpose of verifying his accounts with the Company?

Ans. I never did, Sir,—neither has the Superintendent, to my knowledge.

EXAMINATION OF SAMUEL M. CUMMINGS,

Foreman of the Machine-Shop of the Old Colony Railroad.

FRIDAY, FEBRUARY 22, 1850.

Interrogatory 1. How long have you been in the service of the Old Colony Railroad Company, and in what capacity?

Answer. For three years previous to the fifth of last May. I commenced as a hand in the Machine-Shop under Mr. Woodworth. I remained in that capacity five or six months, and then went on the Fall River Road to run as an engineer from South Braintree to Randolph and Stoughton. After I left there I went back in the shop to work, and in a short time after I went back, I acted in the capacity of foreman under Mr. Woodworth. I continued as foreman until November, 1847, till Mr. Woodworth left, and then I took Mr. Woodworth's place as superintendent of the Machine-Shop.

Int. 2. What are your duties, as Superintendent of the Machine-Shop?

Ans. To oversee the repairs of the locomotives and tenders, and all the iron-work done in the shop. At the present time, I have charge of both the iron and wood work of the Machine-Shop. The

men are all under me, and I keep their time. I have likewise the direction of the engines, under the orders of the Superintendent.

Int. 3. What are the working hours of those employed in the Machine-Shop?

Ans. The time is different in different months. At present we work from a quarter past seven to twelve o'clock, and from one to six. The average time through the year is ten and a half hours.

Int. 4. Has the Machine-Shop, during the time you have been there, been conducted under a system of judicious economy?

Ans. It has, according to my views.

Int. 5. Has the Carpenter's department been under your charge during the past year?

Ans. No Sir, it has not. Mr. Lovejoy left about the second week in February; since then, it has been under my care.

Int. 6. Has that department been carried on efficiently and judiciously?

Ans. I know nothing to the contrary.

Int. 7. Should there be one person, in your judgment, who should have the care of the Machine-Shop including all the different mechanical departments, and should the operatives be accountable to him and take their directions from him? If so, state your reasons?

Ans. Yes, Sir. My reasons are, the iron and wood work is all in one shop. When there are two heads, we are dependent on one another. Let one party be in the fault when there are two heads, and both have to suffer for it. As the expenses of all the mechanical departments are charged to the Machine-Shop, there should be a head to the Machine-Shop who is responsible for the same. Frequently it becomes necessary to use men from the iron department, the wood department, and the Paint-Shop, upon one piece of work. It is essential that there should be one head, instead of three to direct them.

Int. 8. Was the condition of the motive power of the Road good, when you became Superintendent of the Machine-Shop? If so, state what the condition of the motive power was, and what you have done to improve it.

Ans. It was not. The running parts of the different machines were much worn, and one of the engines was broken down the day before Mr. Woodworth left. The condition of the motive power is now good. We have renewed the engines very much. We have renewed the tires, boxes, valves, and much of the running gearing. We have put on new cow-catchers and sand-boxes to some of the engines; have changed the whistles; and made many other additions to benefit the motive power.

Int. 9. Have you been prevented from employing the most competent mechanics in the iron department by the interference of any person?

Ans. No Sir.

Int. 10. Are all the men employed in your shop competent to discharge the duties with which they are entrusted?

Ans. I think they are.

Int. 11. Has the clerk of the Machine-Shop been under your directions and subject to your orders?

Ans. The clerk who was appointed to take charge of the Machine-Shop, was placed under my orders with the understanding to use his spare time at the freight-house. After he had been with me a few weeks, he took the books to the freight-house, and since then, they have not been at all times accessible to me. On account of this, the business of the Machine-Shop is not kept as regular as it ought to be.

Int. 12. How are the books and accounts of the Machine-Shop kept? Are they kept accurately? If not, please state what the defects are.

Ans. I do not think they are kept accurately. The defects are, that a portion of the stock which is bought, is not accounted for on the books, as used on particular pieces of work.

Int. 13. Should not the production of the Machine-Shop equal the cost of materials and labor?

Ans. I think it should nearly—say within ten *per cent.*

Int. 14. Have you ever built any engines, cars, or snow-ploughs at the Machine-Shop?

Ans. We have built cars and snow-ploughs, and have re-built engines, but never built a new engine.

Int. 15. Can these articles be built so economically at the Machine-Shop as at a private shop?

Ans. I think we cannot build them as cheap as where they carry on one branch of business alone.

Int. 16. Have the materials for the Machine-Shop been at all times purchased judiciously?

Ans. In the iron department, since I have had any knowledge of of it, I think the purchases have been well made. I know so little about the purchasing for the Carpenter and Paint departments, that I am unable to answer with regard to them.

Int. 17. Have purchases been made from the retail store of B. B. Brown for the Machine-Shop? If so, have these purchases been economically made?

Ans. There have been; and I think they have been economically made. Many of our purchases are so small that I think it as cheap to buy them at Mr. Brown's as to go down town and buy them.

Int. 18. Do you inspect, or in any way approve of the pay-roll of the Machine-Shop? Do you compare it with the time-book to see if it is correct?

Ans. I have the ironworkers' pay-roll for the last six or eight months, and do now. I examine it by the time-book and see that it is correct.

Int. 19. Do you think the business of the Paint-Shop has been conducted as well as it could be?

Ans. I think it has not been, in all respects.

Int. 20. In what respects have there been deficiencies?

Ans. I knew, some time ago, that Mr. Hazeltine was accused of selling the Company's stock, and not making returns of it. There was some painting to be done on the engine JOHN ELIOT; it had been in

the shop at least a fortnight, and Mr. Hazeltine knew that it was to be painted.

I called upon him to paint it, as many as two times, but he did not do it; till on Saturday, I told him that the engine was to go out on Monday, and I wanted him to paint it immediately. He declined doing it that day, but said he would do it next day. I told him the next day was Sunday, and I wanted it done that day. He said he was engaged in painting a car, and it was to be got out in a short time; and he could not leave it. I said to him that if he was obliged to paint on Sunday, I should rather he would paint on the car, as I did not want the engine painted on Sunday, when there was an opportunity to do it on week days. He said he would rather paint on engines on Sunday, as he wanted to make the painting on cars come as cheap as possible. I replied that I wanted the painting to come as cheap as possible, on the engines. He then said if he did not do it on Sunday, he could not do it before Monday. I then told him I should get some one that would. After that, he came in and painted it as I wanted him to. I think, in some instances, that Mr. Hazeltine has shown a quarrelsome disposition, which produced difficulty and trouble in the shop.

Int. 21. What is your opinion, in regard to the use of long heavy engines, on our Road?

Ans. My opinion is that lighter engines would be more economical.

Int. 22. In what respects, would lighter engines be more economical?

Ans. A lighter engine is easier on tires, and must be easier on the road. The wear and deterioration, of heavy engines, is greater on account of their weight and length.

Int. 33. Are the repairs on engines, used in the Gravel business, under Evans's contract, greater than those used in the passenger and freight business? If so, how much greater?

Ans. I should think that they were greater by twenty *per cent.* or more.

Int. 24. Do you think a large, heavy engine, in the Gravel business, as economical as a short four or six wheel engine, of about sixteen or eighteen tons?

Ans. I think not.

Int. 25. How many buyers of materials, are there, for the different departments of the Machine-Shop?

Ans. There have been three, Mr. Lovejoy, Mr. Hazeltine, and myself.

Int. 26. Can you suggest any method, whereby the expenses of the Machine-Shop can be reduced, without impairing its efficiency?

Ans. The engine-house ought to be enlarged; for two or three hours each day, we are obliged to keep two engines outside of the engine-house. And in addition to this, we are compelled to have two engines in the Machine-Shop. The inconvenience of working with the engines, in so small a space, incurs an extra expense, of at least a thousand dollars per annum.

We require, in the shop, an engine lathe; a machine for cutting screws on bolts; and a machine for planing iron. With these additions, I am confident we can reduce the expense to the Corporation.

EXAMINATION OF DANIEL ALDRICH,

Engineer of the Old Colony Railroad.

FRIDAY, FEBRUARY 22, 1850.

Interrogatory 1. How long have you been engaged in the service of the Company, and in what capacity?

Answer. Almost three years, as Engineer.

Int. 2. Have you made experiments, to test the comparative value of the different kinds of wood, used by the Corporation in firing engines?

Ans. Yes, Sir.

Int. 3. Will you please state what the experiments were?

Ans. The experiments were made by the request of Mr. Moore. We made experiments with white pine, yellow pine, and spruce, using two feet of wood of each kind, on different days. The first two or three days, we used wood, the ends of which were not squared off; we ran the engine WEYMOUTH. Mr. Moore was on, and one fireman.

The two first trials, we had two long platform cars loaded with stone; we thought the train was too light, and put on two more long flat cars loaded with iron; we started from Plymouth, and sometimes would be able to reach Hanson, and sometimes North Abington. Mr. Hall was brakeman. We used different kinds of wood in making the trial, when we had attached to the engines these four cars. We did not use the smallest size of Plymouth wood. It was a little better than the average size of Plymouth wood.

We tried the Plymouth wood once, when the ends were squared off, and once when they were not. We ran special trains, on different days, to make the experiments.

Int. 4. Do you think the experiments were made fairly, in testing the different kinds of wood?

Ans. I think they were made as fairly as you could test the wood, in that way. I think you should have as much as an engine could haul, to make a fair trial.

Int. 5. Was the method which you adopted for testing the quality of the wood, a correct one, for the purpose, in your opinion?

Ans. I do not like to give my opinion; on the Western Road they made the experiment with wood, by putting on a train as much as the engine could draw. I should think that the fairest way of testing wood.

Int. 6. In your opinion would the results of the experiments have been different, if you had had the ordinary heavy trains which actually run on the Road?

Ans. I think we could have had a better test of the wood by hauling heavy trains; but we did as well as we could, in the way we tried it.

Int. 7. Will you please state why the results would have been different?

Ans. I think the experiments could be better tried in the running of our regular trains. Running for experiments, and the regular practical running, are two different things. In the experiments we tried, I was not allowed to shut off or put on steam; not to ease the throttle at all. In ordinary running we ease the throttle, to save steam, when we are going too fast, and save it for some upward grades.

Int. 8. Which wood did you discover, from these experiments, was the cheapest?

Ans. The black spruce wood carried us from a mile and a half to two miles the farthest. I do not think it was a fair test on the yellow pine, as it was not thoroughly dry. The yellow pine, however, carried us the farthest, except the black spruce. The oak was the next best. I should think, from these experiments, the spruce wood was the cheapest, though I cannot say but what the yellow pine would have carried us farther than the spruce, if it had been thoroughly seasoned; the spruce was thoroughly seasoned, but the yellow pine was not.

Int. 9. From your practical experience, derived from the running of the cars, daily, what wood do you think is the cheapest for the Corporation?

Ans. I should think good yellow pine was the cheapest that could be used. I don't think there is but a trifle odds between spruce and yellow pine. I think the most economical way of using wood, would be to mix hard wood and pine together.

Int. 10. Will you please state whether, or not, you have tested, on other Roads, the quality of different kinds of fuel? If so, how were the experiments tried?

Ans. I believe the test on the Western Road was not of the same nature. It was to test the cost of wood and coal, as fuel. They took a load and drew it fifty miles, and found out how much wood they used.

Int. 11. What is the effect of easing the throttle, on the burning of fuel?

Ans. If you open the throttle wide, you burn more wood than you would if it were half open. The more steam you use, the more draft you get. By easing the throttle, is meant shutting it. In trying the experiments with Mr. Moore, we did not alter the throttle. Each trial the throttle was the same.

Int. 12. Why were not the experiments you tried with Mr. Moore

fair tests of the quality of fuel used, in the practical daily running of the engine?

Ans. Because we could not humor the engines at all; ordinarily we have to stop on the road, and we are then saving steam; we sometimes have more steam than we need, and then we have to lose steam.

Int 13. How has the wood, purchased at Plymouth, compared with that purchased in Boston?

Ans. The wood purchased at Boston is more economical wood, and of a better quality for running engines.

Int. 14. Have the repairs of the engines been satisfactory?

Ans. Yes, Sir. I think they have, since I have been on the Road.

Int. 15. Do you think that the Machine-Shop is under good management at the present time?

Ans. Yes, Sir, I do.

Int. 16. Has the oil furnished for the engines been always satisfactory?

Ans. There has been some fault found with the oil. Last winter we had very poor oil; I think it was lard oil. This winter the oil has been good.

Int. 17. What engines, in your opinion, are most injurious to our rail?

Ans. An outside connected engine, is, in my opinion, the most injurious. I think the six wheeled engines, like the MILES STANDISH, and GOV. BRADFORD, are most injurious; they have more of a jerk to them.

Int. 18. Is there sufficient accommodation at the engine house for the engines?

Ans. There is not. There is not room enough to stow them all at night; we need two more stalls certain, and it would be a good plan to have three.

Int. 19. Are the engines of twenty-eight tons, too heavy for the track of the Old Colony Railroad?

Ans. I think they are; such as the PLYMOUTH and DORCHESTER. The iron is very light on the Old Colony Railroad. The heavier the engines are, the more they crush the iron. They are particularly injurious on the curves. The rail of the second track is poor iron.

EXAMINATION OF JOHN S. PICKERING,

Engineer on the Old Colony Railroad.

THURSDAY, FEBRUARY 21, 1850.

Interrogatory 1. How long have you been in the service of the Company, and what are your duties?

Answer. I commenced about five years ago next July, and my duties have been to run an engine.

Int. 2. How does the wood, purchased at Plymouth, compare with that purchased at Boston?

Ans. As a general thing, I do not think it as good. A great deal of it is small. We get some very good wood at Plymouth; it is much better of late than formerly.

Int. 3. What size of wood is most profitable for firing engines?

Ans. I think that cleft wood, which will vary from three to six inches through, is the most profitable. Round wood is not good.

Int. 4. Has the oil, furnished for the engines, been always satisfactory?

Ans. No, Sir. It has not. The patent oils that we have tried have not been good. In consequence of using lard oil, we have lost a good many composition boxes; as lard oil will congeal when put upon machinery, and is unfit for use in cold weather.

Int. 5. Have the repairs of the engines been satisfactory?

Ans. Mr. Cummings is now our foreman of repairs; and since he has been at the head of the Machine-Shop, the repairs have been very satisfactory. Before that time I don't think the repairs were satisfactory, owing to the foreman.

Int. 6. Do you think the Machine-Shop is under good management, at the present time?

Ans. I do think it is as good as it can be, for the amount of machinery that is to be repaired.

Int. 7. What engines are most injurious, in your opinion, to our rails?

Ans. I think the two largest engines, the DORCHESTER and PLYMOUTH, are the most injurious to the track. The iron is so slender, being of the smaller size of railroad iron, and the new track is of so malleable iron, that the large engines crush the rails very much, on the curves particularly. The smallest three engines, the BRADFORD, MILES STANDISH, and CARVER, are so small that they jerk as they go, first on one side of the track and then on the other; which tries the track very much.

Int. 8. Is there sufficient accommodation at the engine house for the engines?

Ans. No, Sir. I think we want two or three more stalls; as, when the engines are all here together, one will have to remain out doors while another is getting ready to go out. There are five stalls now in the engine house, and there should be three more as large again.

EXAMINATION OF ASA H. MOORE,

Conductor on the Old Colony Railroad.

THURSDAY, FEBRUARY 21, 1850.

Interrogatory 1. How long have you been in the service of the Old Colony Railroad Company, and what are your duties?

Answer. I commenced, when the Road was opened, 10th November, 1845, as Conductor of the passenger train to Plymouth.

Int. 2. What is your custom in respect to taking fare in the cars?

Ans. Formerly, I took considerable money in the cars, from eight to twenty dollars a day; until late in the fall of 1849, or in December, the Directors made a rule, that the fare, when paid in the cars, should be five cents more than the regular price of tickets. Since the adoption of this rule the collections have averaged from three to eight dollars a day. We enforce the rule in all cases, excepting when a passenger arrives late in the stage, or the seller of tickets is absent from the office, and cannot supply the passenger.

Int. 3. Do you keep the cash which you receive for fare separate from your private cash?

Ans. Yes, Sir. I do not have my private cash out of my wallet. I reduce the cash of the Corporation in my hands to about two dollars and a half a day, in change; the balance I pass over to Mr. Merriam, the Superintendent's clerk.

Int. 4. Do you keep a memorandum of the cash which you receive for fare?

Ans. I do not keep one. All I keep is a pass-book, between myself and Mr. Merriam.

Int. 5. Could you not, if you were disposed, receive money and not account for it, without any possibility of detection?

Ans. I think I could.

Int. 6. Has the number of free tickets been less, or greater, during the last year, than formerly?

Ans. I should think they were less. I have never kept an account of the free passages of the Directors and their families, or of

those in the employ of the Road. There was an order passed last fall, that no one should pass free over the Road, excepting the Directors and their families, and the employees of the Road, unless they had a ticket signed by the President and Superintendent. This order prevented the Captains of the Fall River steamers, the Presidents, Superintendents, and Directors of the Fall River, South Shore, and Dorchester and Milton Roads, from giving free passes.

Int. 7. Of what free passes do you now keep an account?

Ans. I keep an account of the free passes of all those who have pass tickets, signed by the President and Superintendent of the Road, and none others.

Int. 8. Are there any who pass free on the Road now, without a pass ticket signed by the President and Superintendent? If so, state who they are.

Ans. Yes, there are. The Directors, and Superintendent with their families; my own family; keeper of the Samoset House and his family; and all the employees of the Samoset House, under a pass from the keeper of the House; the Master of Transportation, at Plymouth, and his family; all station agents, and other employees of the Road, generally; the wives and families of the other Conductors on the Road; the wife and family of the Ticket clerk; the wife and family of the Freight-Agent. By family, I mean the wife and children.

Int. 9. Do you keep, or have you kept, a record of the free passes of those mentioned in your last answer?

Ans. None but of the keeper and employees of the Samoset House.

Int. 10. Of what free passes did you keep no account, before the late regulation was made, providing that every pass ticket should be signed by the President and Superintendent?

Ans. The first two years I did not keep any account. Since then, till last December, I kept an account of all but the Directors and families, and those employed on the Road, and their families. I should have passed the families of all the employees of the Road at that time.

Int. 11. How many more should you suppose passed over the Road free, than those of whom you kept an account?

Ans. Eight or ten times as many more, pass over the Road free, than the number the Conductors are required to return or do return.

Int. 12. Have you sold season tickets?

Ans. When the system of season tickets was first adopted, the Conductors sold season tickets, say for six months or a year. Since then, when a person wants a season ticket, he might ask me to get him one, and I would procure it from Mr. Merriam, and collect the money for it.

Int. 13. How do you know that a passenger has a season ticket? Do you always ask him to show it?

Ans. I do not ask those I know to show their tickets. The first day of every month I go to Mr. Merriam's book, and take the names of all persons whose season tickets expire that month; and when they expire, I notify the holders of the fact; and if I am asked to get

another ticket, I get it, and they pay me for it. When I don't know a person, and he says he has a season ticket, I make him show it.

Int. 14. Have you ever passed, since you have been in the service of the Company, any persons free over the Road, upon your own responsibility, and contrary to the rules of the Company?

Ans. I don't know that I ever did.

Int. 15. Are there any stations on the Road, which, in your opinion, should be discontinued?

Ans. I think the North Hanson station might be discontinued. It is very near South Hanson, a distance of one mile; the depots are in sight of one another, and the business at North Hanson is trifling. I think the Halifax station might be made a Flag station for passengers, to the benefit of the Company.

EXAMINATION OF JOHN G. M. TAYLOR,

Conductor on the Old Colony and Dorchester and Milton Branch Railroads.

MONDAY, MARCH 4, 1850.

Interrogatory 1. How long have you been in the service of the Old Colony Railroad Corporation, and in what capacity?

Answer. Since the first day of December, 1847. I have been a Conductor on the Old Colony Railroad and the Dorchester and Milton Branch.

Int. 2. What is your custom, in respect to collecting fare in the cars?

Ans. I take tickets of those who hold them; pass those who have season tickets; and collect, in cash, the fare of those who have no tickets.

Int. 3. Do you keep the cash which you receive for fare, separate from your private cash?

Ans. I do, Sir. I keep one pocket empty, in which I deposit the money of the Corporation; in the other pocket, I keep my keys and my own private change.

Int. 4. Has the number of free tickets been less, or greater, the last year, than formerly?

Ans. I should think there was no difference in my train.

Int. 5. Of what free passes, do you keep an account?

Ans. I keep an account of all who pass over the Dorchester and Milton Road free, except those in the employ of the Company.

Int. 6. Do the Directors of the Dorchester and Milton Branch, and their families, have free passes, over the Road?

Ans. The President and his family have a free pass; and the Directors, personally, pass free, and their families do not.

Int. 7. Did you prepare the table, on the last page of the annual report of 1849? If so, under whose direction did you make it?

Ans. I did, Sir. I was requested by the President of the Road to keep a monthly account of the passengers, and make a report to him of the year's business.

Int. 8. Is the table correct?

Ans. I think it is, Sir.

Int. 9. Do you mean to say that this table presents a fair account of the earnings of the Road?

Ans. I mean to say, that it is correct, with the exception of a deduction, for package tickets. What I sold myself, I kept an account of; and the discount appears on the face of the table. What tickets were sold in the different offices, I kept no account of; and I allowed the full price, whether package tickets or not. The color of the package and single tickets was the same, for the Dorchster and Milton Branch.

Int. 10. Were not tickets bought in packages, and retailed by individuals, at the different villages on the Road, at a less price than the regular charge for a single ticket?

Ans. I have not seen tickets so sold; but I have heard that they have been.

Int. 11. When you handed in the table to the President, did you inform him that you had not made an allowance for the discount, on sales of package tickets, except on those you sold yourself?

Ans. I think I did. I was not aware that the table was to be published; had I been, I should have been more explicit. I was astonished, when I saw the table printed in the report.

EXAMINATION OF JOHN O. PRESBREY,

Fall River Freight-Agent.

MONDAY, MARCH 4, 1850.

Interrogatory 1. What is your occupation?

Answer. I am Fall River Freight-Agent at the Boston end of the Road.

Int. 2. How are the settlements made, between the Fall River

and the Old Colony Railroad, of the amounts due to the Old Colony Railroad, for its proportion of freight?

Ans. I make a weekly report to the Old Colony Railroad of the earnings in and out; and a monthly report to the Fall River Railroad. The settlements with the Old Colony Railroad are made by the Fall River Treasurer.

Int. 3. What contracts, if any, have been made by the Fall River Railroad Company, for the carriage of joint freight, on the Old Colony and Fall River Railroads, at less than the tariff-rates?

Ans. The Bridgewater Iron Company; Fall River Iron Company; Tremont Iron Company; Parker Mills; J. B. Tobey & Co; Boston & Sandwich Glass Company; Isaac Keith; H. Perry, Monamet; and B. Ellis & Co., Wareham.

Int. 4. What reduction from the tariff-rates is allowed under these contracts?

	Tariff rate per 100 lbs.	Rate charged per 100 lbs.
Ans. Boston & Sandwich Glass Co., for heavy freight,	12 cts.	7 cts.
do light freight,	17	$8\frac{3}{4}$
Tremont Iron Co.,	$9\frac{1}{2}$	7
Parker Mills,	10	7
Tobey & Co.,	$9\frac{3}{4}$	7
Isaac Keith, light freight,	15	10
do heavy "	$10\frac{1}{2}$	10

Bridgewater Iron Co., 36 *per cent.* discount from tariff-rates.

Fall River Iron Co., 20 *per cent.* do do

H. Perry, hollow ware, tariff—11 cts. a hundred, and 40 *per cent.* added; price charged, 10 cents, and no *per centage* added.

B. Ellis & Co., hollow-ware, 10 cents *per* 100 lbs. and 40 *per cent.* added; contract $8\frac{3}{4}$, and no *per centage* added.

Int. 5. Does the Old Colony Railroad always receive its *pro rata* proportion, of whatever may be the actual sum received for joint freight, carried on the Old Colony Railroad and Fall River Railroad?

Ans. Yes, Sir.

Int. 6. Do you make returns to the Freight-Agent of the Old Colony Railroad, as well as to the Freight-Agent at Fall River?

Ans. Yes, Sir. I make weekly returns to the Freight-Agent at Boston, of the total amount of the week's business to and from Boston, with each station on the entire line of the Cape Cod and Fall River Railroads. I make monthly returns of the total amounts of the business to and from each station, to the Fall River Freight-Agent. I then give the Old Colony Railroad Freight-Agent, the sum total of the month's business. The number of tons is not given to the Old Colony or Fall River Freight-Agents. Duplicate way-bills are returned to Fall River, but are not given to the Old Colony Railroad. I keep a record of all the way-bills.

Int. 7. Has the Superintendent, or Freight-Agent of the Old Colony Railroad ever examined your way-bills, or your record of them, for the purpose of ascertaining the correctness of your returns?

Ans. No Sir, I think not.

EXAMINATION OF CHARLES A. READ,

Freight-Agent of the Western Railroad.

TUESDAY, MARCH 5, 1850.

Interrogatory 1. Have you been connected with any company, formed for the purpose of speculating in the stock of the Old Colony Railroad Company?

Answer. Never.

Int. 2. Have you known of any such companies having been formed? If so, who composed them?

Ans. I recollect that there was a company, got up by Mr. P. P. F. Degrand. He had a paper, by the terms of which, the signers agreed to purchase one thousand shares, and hold the stock for several months. I think I remember of two companies being got up for the purpose of speculating in the stock. The members of these companies authorised Mr. Degrand to buy, at a limited price; and he did so, with an agreement to advance a portion of the money necessary to purchase the stock, and hold it for four months, or some other period of time. I don't remember who composed these companies. When Mr. Degrand found I would not sign the paper, he would not show it to me. The object was, to buy, in anticipation of a rise; and then, at a certain time, to sell the stock and make by these operations.

Int. 3. Have you held stock of the Old Colony Railroad Corporation, as Trustee for others? If so, when have you held such stock, and for whom did you hold it?

Ans. I bought fifty shares for Mr. J. Quincy, Jr., in January, 1846, and transferred these shares with nine which I held myself, in blank, and immediately handed over the certificate to Mr. Quincy. I paid $103.25 per share, for the fifty shares which I purchased.

Mr. Quincy bought 150 shares, of Mr. Degrand, at about the same time, and transferred two hundred shares to the Trustees of the Sinking Fund of the Western Railroad. Mr. Quincy sold to the Trustees of the Western Railroad Sinking Fund, the stock I purchased for him, at the same price which I gave for it. The rest of the stock which stood in my name, was my own.

The following Interrogatories were proposed to Mr. Osgood Bradley, (late of the firm of Bradley & Rice,) Messrs. Hinkley & Drury, and Davenport & Bridges, by letters sent to them, respectively, in March, 1850; except, that in the 4th Interrogatory to Messrs. Hinkley & Drury the word "Engines" was substituted for "Cars."

Interrogatory 1st. Did you subscribe for stock in the Dorchester and Milton Railroad Company? If so, when, and what amount of stock, did you subscribe for and take?

Interrogatory 2d. Had you any inducement in subscribing for this stock, other than desiring to make a good investment?

Interrogatory 3d. If you had any other inducement, please state what it was, and who offered it to you?

Interrogatory 4th. Should you have subscribed for any of the stock, unless you had been promised that you should pay for your stock, or a portion of it, in cars to be furnished by you for the Old Colony Railroad Company; or, that the Old Colony Railroad Company would employ you to make cars for them?

To the foregoing Interrogatories, Osgood Bradley gave the following answers.

To the 1st Interrogatory, he answered, "I did not."

To the 2d Interrogatory, he made no answer.

To the 3d Interrogatory, he answered, "I made a bargain with Mr. Carruth, if I took the stock, to furnish the Northern and Old Colony Railroads with cars."

To the 4th Interrogatory, he answered, "I should not have taken the stock, but Mr. Carruth promised me that I should pay for the stock in cars. I, in the first place, agreed to take $5000 in the Northern Railroad stock, and furnish it with cars to that amount. Before the contract was completed the Northern stock rose to par. Then Mr. Carruth wished me to take $5000 of the Dorchester and Milton stock, instead of the Northern. Four thousand dollars worth of the stock was paid for in cars for the Old Colony Railroad Company, and the remaining one thousand dollars in cash."

To the same Interrogatories, Messrs. Hinkley & Drury gave the following answers.

To the 1st Interrogatory, they answered, "We subscribed for thirty shares of said stock on the 1st February, 1847, which we took, making our last payment for the same, August 3d of same year."

To the 2d and 3d Interrogatories, they answered, "We were induced to subscribe for the stock at the earnest solicitation of Mr. Carruth, who represented to us, it would be a six *per cent.* stock. We had no other inducement, except our general connection with Railroads, and what follows, in our reply to the 4th Interrogatory."

To the 4th Interrogatory, they answered, "There was no further promise made to give us engines to build for the Old Colony Railroad, or any other Road, on account of our subscription, other than it was stated by Mr. Carruth that more machines would be wanted on the Old Colony Railroad, as that Road would run the Dorchester and Milton, and he giving us to understand when engines were wanted, we should have a call."

To the same Interrogatories, Messrs. Davenport & Bridges gave the following answers.

To the 1st Interrogatory, they answered, "We did subscribe in 1847, to the amount of $5000."

To the 2d and 3d Interrogatories, they answered, "We had inducements in subscribing for this stock, other than merely its being a good investment; but which was in no way connected with the Old Colony Railroad Company."

To the 4th Interrogatory, they answered, "We had no encouragement or expectation of getting cars to build for the Old Colony Railroad Company."

CONTRACTS.

Contract with the South Shore Railroad Company.

An indenture of two parts, made and concluded this twentieth day of September, in the year one thousand eight hundred and forty-seven, by and between the South Shore Railroad Company, a Corporation established by the laws of the Commonwealth of Massachusetts, of the one part; and the Old Colony Railroad Corporation, a Corporation established by the laws of said Commonwealth, of the other part.

Whereas, the said South Shore Railroad Company, by their acts of incorporation, are authorised to enter upon the Railroad of said Old Colony Railroad Corporation, at some convenient point in Quincy or Braintree, and to use said Railroad for conveyance of passengers and freight; and whereas it has been deemed expedient, and for the mutual interests of the parties hereto, that an agreement should be entered into between them for the purpose of insuring the construction and completion of their Railroad, by the party of the first part; and of arranging the terms and conditions upon which they shall enter upon and use said Railroad, of said party of the second part, and for other purposes as hereinafter set forth.

Now, this indenture witnesseth, that the said South Shore Railroad Company do hereby covenant and agree, to and with the said Old Colony Railroad Corporation, that they will proceed, with all reasonable and convenient despatch, to locate and construct a Railroad from a point of intersection with said Old Colony Railroad, in North Braintree, to its termination in Cohasset; to grade and finish the road-bed, culverts, and bridges, and supply and lay the superstructure, and rails, with suitable and necessary turn-outs, side-tracks, and switches; to build and complete all needful depots, engine and car houses, and signs at road-crossings; and generally to construct, make, and complete, their said Railroad, in good running order, ready for use; and when their said Road is so completed and finished, they further covenant and agree, with said Old Colony Railroad Corporation, that they will make, execute, and deliver, to them, a good and valid lease of their said Railroad, for the term of time, and upon the conditions and stipulations, herein set forth.

And the said Old Colony Railroad Corporation, on their part, hereby covenant and agree, to and with the South Shore Railroad Company, that when their said road shall be completed and finished, as above set forth, in good running order, ready for use, they will take and receive a lease of said South Shore Railroad, upon the terms and conditions herein set forth.

And said parties hereby mutually covenant and agree, to and with each other, that said lease shall be made by the said party of the first part, and taken and received by said party of the second part, upon the following terms, conditions, and stipulations :—

First.—Said lease shall be for the term of five years, from and after the day when William Raymond Lee, Superintendent of the Boston and Providence Railroad, shall certify, in writing, under his hand, that said South Shore Railroad is finished, in good running order, ready for use, as above set forth ; and in case of the death, absence, or inability of said Lee, then the certificate of William Parker, Superintendent of the Boston and Worcester Railroad, or of Samuel M. Felton, Superintendent of the Fitchburg Railroad, shall be taken to the same effect, and be conclusive upon the parties.

Second.—Said Old Colony Railroad Corporation shall pay as rent, under said lease, during said five years, six *per cent.* on the cost of said South Shore Railroad, payable semi-annually, the first payment to be made six months from the date of the completion of said road, as aforesaid.

Third.—In estimating the cost of said South Shore Railroad, upon which semi-annual interest is to be paid, by said party of the second part, as aforesaid, all expenses of engineering, of purchase of lands, track, depots, and other purposes ; all land damages, salaries, and compensation of officers ; interest on all payments of capital stock. charges and expenses, usually and properly chargeable to cost of construction, up to the time when said South Shore Railroad shall be completed, as aforesaid, shall be added together, and form the sum or capital stock, upon which said party of the second part shall pay interest semi-annually, as aforesaid ; it being also agreed, that, if any charges or expenses, properly chargeable to construction account, are omitted in making up said sum, or are so situated that they cannot be ascertained, or settled, they shall at any time be added to said sum or capital stock, and interest shall be paid thereon, semi-annually, as aforesaid.

Fourth.—From and after the completion of said road, as aforesaid, and during the entire term of five years, said Old Colony Railroad Corporation shall maintain and keep said South Shore Railroad in complete and thorough repair, in its road bed, bridges, culverts, tracks, drains, buildings, and all other parts thereof ; and shall, at the expiration of said term of lease, deliver the same up to said South Shore Railroad Company, in good order and thorough repair, reasonable use and wear thereof, and fire, only excepted.

Fifth.—Said Old Colony Railroad Corporation shall, during said term of five years, supply and furnish all cars, engines, fixtures, and apparatus, of every nature, necessary and proper for the conveyance of

passengers and freight, on said South Shore Railroad, all of which shall be of the same kind, class, and quality, in every respect, as those in use on said Old Colony Railroad.

Sixth.—During said term of lease of five years, said Old Colony Railroad Corporation shall run said South Shore Railroad, and shall convey passengers and freight thereon, at their own sole risk and expense, and on their own account, and shall pay and bear all charges and expenses, of every kind and description; and shall receive and collect all fares and profits thereon, it being agreed and understood that said South Shore Railroad Company are to incur or bear no expenses or charges whatever during said term of five years, from and after the completion of said road, as aforesaid, and that said Old Colony Railroad Corporation shall in no case be liable to pay, as a part of said expenses, any salary or compensation whatever, to any officer of said South Shore Railroad Company during the term of said lease.

Seventh.—During said term of five years, said party of the second part shall charge, for passengers or freight, conveyed over said South Shore Railroad, by them, no more, *pro rata*, per mile than is charged for passengers or freight conveyed over said Old Colony Railroad.

Eighth.—If, at any time after the execution and delivery of said lease to said Old Colony Railroad Corporation, it shall be found necessary, in the judgment of the Directors of said South Shore Railroad Company and the Directors of the Old Colony Railroad Corporation, to make new turn outs, side tracks, depot buildings, or other improvements, on said South Shore Railroad, the same shall be made or built by said South Shore Railroad Company, and the cost and expense thereof shall be charged to construction account, and be added to the sum or capital stock upon which semi-annual interest is to be paid by said party of the second part, as aforesaid.

Ninth.—The said Old Colony Railroad Corporation shall have the right and privilege of renewing said lease of the South Shore Railroad for an additional term of five years, from and after the expiration of the first term of five years above agreed upon, yielding and paying therefor seven *per cent.* on the cost of said South Shore Road, estimated as aforesaid, payable semi-annually, provided, and upon the condition, that said Old Colony Railroad Corporation shall give written notice of their intention to renew said lease, on the terms aforesaid, to said South Shore Railroad Company, eight months prior to the expiration of said first term of five years.

Tenth.—Said Old Colony Railroad Corporation shall keep full and correct accounts of all their receipts, in running the South Shore Railroad, during the whole term of said lease, and shall render semi-annual returns to said South Shore Company, of all receipts, and an estimate of the repairs and running expenses of said Road.

And the said South Shore Railroad Company agree to make, execute, and deliver, a good and valid mortgage, or mortgages, of their said Railroad, with its appurtenances, to said Old Colony Railroad Corporation, to secure and indemnify them for their guarantee of the notes or bonds of said South Shore Railroad Company, as hereinafter

set forth. And said parties do further hereby mutually agree to and with each other, that said Old Colony Railroad Corporation shall, if they think it expedient, before said South Shore Railroad Company shall have entirely completed their road and leased it, as aforesaid, have the right to run over and use, for the conveyance of passengers and freight, such parts thereof as may be in order for use, paying for such use, to said South Shore Railroad Company, such sums as may be reasonable therefor, after reimbursing themselves for the cost and charges of running and using the same, such use in no way to affect the lease of said road, when completed upon the terms above set forth. And the said Old Colony Railroad Corporation hereby covenants and agree, to and with said South Shore Railroad Company, that when, and as soon as six miles of said South Shore Railroad shall be graded, ready for the superstructure, they will, in writing, in due form, for value received, guarantee the payment of the bonds or notes of said South Shore Railroad Company, for the sum of twenty-five thousand dollars, payable in seven years from their date, with interest, semi-annually, till paid. And when and as soon as the whole of the said South Shore Railroad shall be graded, ready for the superstructure, they will, in writing, in due form, for value received, guarantee the payments of the notes or bonds of said South Shore Railroad Company for the further sum of twenty-five thousand dollars, payable in ten years from their date, with interest, payable semi-annually, making in all the sum of fifty thousand dollars, to be guaranteed, as aforesaid, by said Old Colony Railroad Corporation, said notes or bonds to be made and issued in such sums as the South Shore Railroad Company shall, at their discretion, direct, not exceeding one thousand dollars each. And it is further mutually agreed, between said parties, that, in case any difference of opinion shall arise between the parties hereto, as to their respective rights and interests, under this agreement, or under said lease, the same shall be referred to the President of the Western Railroad Company, and the President of the Boston and Providence Railroad Company, for the time being, whose award shall be binding and conclusive upon the parties.

And to the faithful performance of all matters and things hereinbefore set forth, the parties hereby respectively bind themselves and their respective successors and assigns.

In witness whereof, they have caused their respective corporate seals to be hereto affixed, and caused these presents to be signed by their respective Presidents and Clerks.

CALEB STETSON, [L. S.]
President South Shore Railroad Company.

JOHN W. LOUD,
Clerk S. S. R. Co.

NATHAN CARRUTH, [L. S.]
President of Old Colony Railroad Corporation.

JACOB H. LOUD,
Clerk Old Colony R. Corporation.

Unrecorded Contract with the South Shore Railroad Company relating to free passes.

MEMORANDUM.

The Old Colony Railroad Corporation, in consideration of certain agreements made the twentieth day of September, A. D. 1847, between said Corporation and the South Shore Railroad Company, hereby agree to and with said South Shore Railroad Company, that the Directors of said South Shore Railroad Company, for the time being, shall have the right and privilege of passing over said Old Colony Railroad and said South Shore Railroad, free of any charge and all expenses, from and after the date hereof, during and until the expiration of the term of a lease agreed upon in the agreement aforesaid, and during any additional term of said lease, if the same shall be renewed, as set forth in said agreement. Provided, however, and this agreement is upon the condition, that if the Stockholders of said Old Colony Railroad Corporation shall at any time hereafter at a legal meeting vote that no free tickets or passes shall be granted to their own Directors and any other Directors to pass over their said Road and its branches, then this agreement shall be void.

Dated this first day of October, A. D. 1847, and signed by the President and Clerk of said Old Colony Railroad Corporation.

NATHAN CARRUTH, *President of O. C. Railroad.*
J. H. LOUD, *Clerk of O. C. Railroad.*
Signed in presence of GEO. N. FLETCHER.

Contract with the Dorchester and Milton Branch Railroad Company.

This indenture, made and concluded at Dorchester, in the County of Norfolk, this tenth day of November, in the year of our Lord eighteen hundred and forty-seven, by and between the Dorchester and Milton Branch Railroad Company, of the first part, and the Old Colony Railroad Company, of the second part, both Corporation duly established by the laws of the Commonwealth of Massachusetts:

Witnesseth, That, in consideration of the covenants hereinafter agreed to be performed by the party of the second part, the party of the first part have, and hereby do lease and demise, to the party of the second part, the Dorchester and Milton Branch Railroad, with all the engines, cars, and station houses, and with all the privileges, and appurtenances thereto belonging, and all other buildings and real estate, connected therewith, or belonging to said party of the first part:

To hold to said party of the second part, their successors and assigns, for the term of five years, from and after the day when said Railroad shall be declared to be in running order by S. D. Eaton, engineer.

Said party of the second part, yielding and paying semi-annually, for the use of said property, at the rate of six *per cent.* per annum, on the entire cost of said property, including the cost of constructing the road and buildings, the amount paid for real estate and land damages, the fees and salaries of all officers and agents of said Branch Railroad Company up to the time when the branch shall be finished or constructed, and all questions of land damages settled and adjusted, and all incidental expenses also, including all money thereafter to be paid for land damages, for the construction of buildings, as well as incidental expenses; said party of the second part, covenant and agree to furnish cars, steam engines, and everything necessary for the running of the road, so soon as the same shall be in running order: said cars, &c. to be as good, in every respect, as those used on the Old Colony Railroad; and to run them from the terminus of the road at the Upper Mills, in Dorchester, to Boston, and back again, going over the ground not less than eight times a day, carrying passengers and freight, at such rate or price, for season, package, and other tickets, as shall not exceed the sum charged for corresponding distances on the Old Colony Railroad.

And said party of the second part, covenant and agree to carry the passengers, directly to and from Boston, with no unnecessary delay or waiting, at the junction of the two Roads, for other trains; and they further agree, during the time this contract shall continue in force, to keep said buildings, and all insurable property on said Branch Railroad, insured for the benefit of the party of the first part, and to make all necessary repairs upon said road, its bridges, and buildings, and, at the expiration of this contract, to quit and deliver up the same, in like good order and condition as the same shall be in when taken, reasonable use and wear thereof excepted.

The party of the second part also covenant and agree to pay all damages, to which the party of the first part may be liable, by reason of accidents or injuries to persons or property, happening upon said road, or in consequence of the running thereof.

Also to pay the salaries and reasonable charges of all officers and agents of the party of the first part, not exceeding one hundred dollars per annum, for services after said Branch shall be constructed or finished, as aforesaid, and to furnish such information, relative to the road, as shall enable the party of the first part to make to the Legislature the annual return which the law requires.

And the party of the first part covenant and agree to terminate this contract, and assign their franchise, and all the property aforesaid, to the party of the second part, at any time within said five years, on demand, when said party of the second part shall have paid the rent, damages, fees, charges, and salaries, aforesaid, up to that time, and shall signify their readiness to purchase the same, and pay, or offer to pay them therefor, the principal sums on which the six *per cent.* is to be computed by virtue of the foregoing agreement, said payment for the assignment to be made in stock of the Old Colony Railroad at its par value.

The parties further agree, that, if not so terminated within five years, this contract shall be and continue in full force for the further time of five years, then next ensuing, if, at the expiration of the first five, the party of the first part shall, in writing, signify such to be their wish: *provided, however*, that, for the second five years, the party of the second part may pay the same rent, as aforesaid, without running over the road if they shall prefer so to do, more than two trips per day.

Witness our hands and the seals of said Corporations, respectively. Executed the day and year above mentioned, by said parties, through their agents or officers thereunto legally authorised.

A. CHURCHILL, [L. S.]
Pres. and Com. D. & M. B. R. Co.

Witness, LEMUEL TILESTON, *Treasurer.*

Old Colony Railroad Corporation by
NATHAN CARRUTH, *President*, [L. S.]

GEORGE N. FLETCHER.

Contract with the Fall River Railroad Company.

Articles of agreement made, entered into, and concluded, this first day of December, in the year of our Lord one thousand eight hundred and forty-seven, by and between the Old Colony Railroad Corporation, a Corporation by law established in the Commonwealth of Massachusetts, of the one part; and the Fall River Railroad Corporation, a Corporation also by law established in said Commonwealth, of the other part.

Witnesseth, That whereas, in forming a line of Railroad communication between the City of Boston and the Town of Fall River, in said Commonwealth, by way of Bridgewater and Middleboro', in addition to the road of the Fall River Railroad Company, it is necessary to use a portion of road belonging to the Old Colony Railroad Corporation; therefore, for facilitating the business and travel on said line, for arranging the running operations, and for an equitable division of pro-

ceeds, as also of burthens, the following stipulations have been arranged and agreed upon.

As an indispensable prerequisite, the Old Colony Railroad Corporation are, with all convenient despatch, to construct, or cause to be constructed, an additional track upon their road bed, so that, on or before the first day of January, A. D. 1849, there shall be a double railroad track the entire distance between the City of Boston and the junction of the roads of the two Corporations, at the village of South Braintree; said Old Colony Corporation are also to erect, or cause to be erected, a Freight depot building, on land adjoining their present passenger depot, in the City of Boston, to be not less than three hundred feet in length, and as wide as can conveniently be placed upon the land between said passenger depot and Cove street, in said city,—the building to be fitted, in all respects, suitable and convenient for the purpose for which it is intended, to be ready for use the ensuing Spring, and, when completed, to be appropriated exclusively, and free of charge, to the business of the Fall River Railroad.

Each Corporation are to provide motive power, suitable and convenient to perform the business of the line, when upon their respective roads, and shall have control of the running operations thereon.

All cars, passenger and merchandise, essential and convenient for the service, are to be furnished by the Fall River Railroad Company, and the entire risk thereof, whether upon the road of the one Corporation or the other, as also the risk of merchandise, is to be upon said Fall River Railroad Company; but the risk of passengers, when upon the Old Colony Railroad, is to be upon that Corporation.

If, however, there be loss or damage to merchandise, when in depot buildings, or at the stations, for such loss or damage the Corporation, in the charge of whose agents it shall have been at the time, shall be accountable therefor.

The Old Colony Railroad Corporation are to furnish all necessary and convenient accommodations for passengers, for merchandise, and for cars, at the several depot stations upon their Road, and in the City of Boston. Like accommodations are also to be furnished by the Fall River Railroad Company, at the several stations upon their Road, and in the Town of Fall River.

Each Corporation shall furnish the necessary clerks, agents, and assistance, to perform the service of the joint operations when upon their respective Roads, or at their depots,—such as are usually employed in like railroad service, and such as shall not otherwise be provided, pursuant to this or any subsequent arrangement.

Upon their wharf in Boston, the Old Colony Railroad Corporation, without charge for wharfage, are to furnish all reasonable accommodations and facilities for loading and unloading such merchandise as shall have come from, or be intended for, the Fall River Railroad.

In the running of trains over the Old Colony Railroad, and when at the depot in Boston, the same persons are to perform the service of baggage masters and brakemen, for the passenger trains, as perform the like service when said trains are upon the Fall River Road, and without charge to the Old Colony Railroad Corporation therefor. In the City of Boston, the baggage masters are to receive and deliver all

baggage; but baggage not seasonably called for, or baggage early brought to the depot, shall be taken charge of by the baggage master of the Old Colony Railroad Corporation, or such other person as may be by them employed in such service, for their separate business, to be safely kept and properly delivered.

Each Corporation shall provide engineers, firemen, and conductors, to perform the service of the line when upon their respective roads; but if, by mutual arrangement, a conductor shall be employed to perform service upon the roads of both Corporations, then shall his wages be paid by the two Corporations *pro rata*, according to the distance he performs service on the road of each.

For the loading of merchandise, an allowance shall be made of ten cents per ton, and the same allowed for unloading, and collecting the *freight bills*, to be paid to the party performing the service, and by the two Corporations, as the receipts for the transportation thereof shall be divided; merchandise not weighed, and for the transportation of which the charge shall not be by weight, the proper allowance, for loading and unloading, shall be ascertained by dividing the proceeds therefrom by the amount charged for the transportation of a ton the same distance.

All regular trains, having for their southern termini either Fall River, or some station on the Cape Cod Branch Railroad, shall, when delivered at the village of South Braintree, be promptly, and without unnecessary delay, taken by the Old Colony Railroad Corporation, over their Road to Boston. Returning trains shall also be promptly, and without unnecessary delay, taken from Boston, and delivered at the village of South Braintree, at such time or times as the Fall River Railroad Company may elect. Other trains, which the Fall River Railroad Company may desire to run, shall be taken to and from the village of South Braintree, by the Old Colony Railroad Corporation, at such time or times as may be reasonably required of them, by said Fall River Railroad Company. If, however, there be a disagreement as to the reasonableness of any such requirement, the question shall be decided by disinterested arbiters, each Corporation choosing one, and the two thus chosen, if necessary, to select a third.

When desired by the Fall River Railroad Company, at least two daily passenger trains, besides the steamboat train, are to be taken each way between Boston and the Fall River Railroad, stopping only at North Braintree and Quincy, unless to leave passengers from, or to take up passengers for, said Fall River Railroad.

The proceeds from the transportation of both passengers and merchandise to be divided between the two Corporations, *pro rata*, according to the distance carried on the road of each.

For the use of passenger cars, for the risk thereof, and for the benefits to be derived from the connection, the Old Colony Railroad Corporation are to pay the Fall River Railroad Company *one half cent per mile, per passenger*, when upon the Old Colony Railroad, for all passengers taken to and from the Fall River Road. For the use of merchandise cars, for the risk thereof, and for the risk of merchandise, in like manner, the Old Colony Railroad Corporation are to pay to the Fall River Railroad Company *one half cent per mile per ton*,

when upon said Old Colony Railroad, for all merchandise taken to and from the Fall River Road. For merchandise not weighed, and for the transportation of which the charge shall not be by weight, the amount to be paid, to be ascertained in like manner as is provided for ascertaining the amount of compensation for loading and unloading.

No special effort shall be made, by either Corporation, or their agents, to divert business or travel from the Road of the other. During the continuance of this contract, neither Corporation shall, directly or indirectly, aid or encourage the chartering of any new Railroad, the effect of which will be to injure the interests of the other; nor will either, should a new road be chartered and constructed, patronise the same, if, by so doing, the income of the other would be diminished.

All accounts between the two Corporations shall be arranged, settlements made, and balances adjusted, at least once every month.

It being the purpose of this agreement to adjust all matters and things connected with the joint operations of the two Corporations, it is agreed, that any misunderstanding with regard to the construction of this instrument, or any difference respecting matters and things not herein embraced, shall be referred to disinterested arbiters; to be chosen in like manner as is provided in case of disagreement with reference to the running of special trains.

These articles of agreement shall take effect, and control the operations and settlements between the said Old Colony Railroad Corporation and the said Fall River Railroad Company, commencing with the first day of December, instant, and ending with the fourth day of August, which will be in the year of our Lord one thousand eight hundred and fifty-six.

And for the faithful performance of all the stipulations contained in this instrument, the said Corporations, each to the other, doth covenant and agree, the said Old Colony Railroad Corporation that they will, and that their successors shall, do and perform all that is herein stipulated for them to do and perform, and the said Fall River Railroad Company, that they will, and their successors shall, do and perform all that is herein stipulated for them to do and perform. In testimony whereof, the said Old Colony Railroad Corporation, by their President, Nathan Carruth, for the purpose duly authorised by a vote of the Directors of said Corporation, and the said Fall River Railroad Company, by their President, Nathaniel B. Borden, for the purpose duly authorised by a vote of the Directors of said Company, have hereunto affixed the seals of their respective Corporations, and the said Nathan Carruth, and the said Nathaniel B. Borden, as aforesaid, have hereunto subscribed their names, the day and year first above written.

Old Colony Railroad Corporation, by
NATHAN CARRUTH, *President.* [L. S.]

Signed, sealed, and delivered, in presence of
GEORGE N. FLETCHER.

Fall River Railroad Company, by
NATHANIEL B. BORDEN. [L. S.]

HENRY MAY.

REPORTS AND TABLES.

A.

Report of William P. Parrott, Civil Engineer.

Investigating Committee Room, Old Colony Railroad Depot;
BOSTON, FEBRUARY 1st, 1850.

WM. P. PARROTT, ESQ., *Civil Engineer:*

Dear Sir—The Committee of Investigation of the Old Colony Railroad Company desire you to examine the condition and quality of the Superstructure, Bridges, and Road-bed, of the Old Colony Railroad, and report the result of your examination to them.

Your particular attention is requested to the examination of the Road between Boston and the junction at South Braintree.

Yours, respectfully,
FRANCIS B. HAYES,
Chairman of Investigating Committee O. C. R.

TO FRANCIS B. HAYES, ESQ.,
Chairman of Investigating Committee of Old Colony Railroad.

Sir—In accordance with your request in the letter annexed to this report, I have made the required examination, and submit the following report:

For the purpose of comparing the wear on the different portions of the Road, I have divided the length into four divisions as follows;

The first extends from Fourth street in South Boston to the junction with the gravel branch near Squantum bridge. Length 28,000 feet—5.3 miles.

The second from the junction with the gravel branch to the junction with the South Shore Branch. Length 21,000 feet, 3.97 miles.

The third from the junction with the South Shore Branch to the junction with the single track at South Braintree. Length 7400 feet—1.4 miles.

The fourth from the junction with the single track to Plymouth. Length 26 miles.

Total length 37½ miles.

ROAD BED.

The road bed on the 1st, 2d, and 3d divisions is generally in very good order. Some few exceptions were noted as they were found. The ditches on some parts of these sections require to be finished, and in a few places, the embankment requires some protection from the wash of the tide water at very high tides.

The whole amount is small, and most of it may be done by the track-men without extra expense to the Company.

MASONRY.

The masonry for the new part of the Road is very good; and of the other, or old part, there was no appearance that any amount would be required for this part of the construction, beyond the ordinary annual repairs.

CULVERTS.

Some wooden culverts, three in number, were examined. They are all wetted with the water at each tide, and of course are not liable to decay, and may be considered as durable as wood work can be in such position.

BRIDGES.

The bridges are all in good order. The pile-bridges are built of oak piles, with white pine stringers on the part occupied by the first track, hard pine by the second track. From such examination as I could make at the time, I should say that there is nothing wanted about them, with the exception of a portion of railing, which is noted in its place.

The crossings at roads, both above and beneath the railroad track, are generally in very good order, having been renewed in part, or repaired, when the double track was laid.

In no part of the road bed was there found any appearance of neglect, on the part of the agents of the Road, to keep it in good repair, and to put it into a permanent and durable situation as fast as practicable. To ascertain the exact amount required to complete the road bed and side ditches, would require measurements over the whole extent of the line. A very small amount will be requisite in addition to the work done by the road-men, constantly required on the road, and will require no special care.

SLEEPERS.

The time at our disposal would not allow of more than a general view of the sleepers, but I think that we have obtained all the information, which will be useful to you in your inquiry.

The sleepers on the new track are of spruce, kyanized. The joint sleepers 6x7 inches, the others 6x6, about 2100 to the mile. From the examination of those which have been cut into, the preparation of the timber appears to be good, and the spikes appear to hold well.

On part of the Road, about three miles, the joint sleepers are only 6x6 inches, which is too narrow, and for this part it will be advisable

to substitute broader sleepers, when convenient. The sleepers on the old track have been kept in good order, and generally, I saw no reason why any greater amount would be required for the maintenance of this part of the construction, than would be appropriated for annual repairs on any well managed road.

RAILS.

The rails in both tracks were carefully examined, and all defective rails noted. All rails were counted, which showed signs of splitting or crushing, and it is believed that all of them will require renewal within an average time of twelve months. This one class includes of course all in the different stages of dilapidation and I think, will be found to show pretty accurately the number, which will be required, within the time mentioned above, to maintain the tracks in good order.

The portion of the Road, where the worst rails were found was on the first division, and the worst portions of that division, the inside rails of the curves.

The per centage of bad rails is

FIRST DIVISION.

New rails, 23 per cent. Old rails, 36 per cent.

SECOND DIVISION.

New rails, 9 per cent. Old rails, 14 per cent.

THIRD DIVISION.

New rails, $5\frac{1}{2}$ per cent. Old rails, 5.8 per cent.

The per centage on the whole distance, to the junction with the Fall River Road,

New rails, 15 per cent. Old rails, 24 per cent.

The iron in the new rails appears to have been unsuitable for the purpose, and it must be from defect in the rails themselves, that they have so soon worn out.

Due care seems to have been used in laying, and I am not aware that the construction of the locomotive engines used upon this Road is different from that upon other roads in the vicinity.

The rails in the gravel tracks, side tracks, and crossings, are generally in such situation as not to be depended upon for further use in the renewal of the main track, in case they should not be wanted for the present purpose for which they are used.

Some of the rails, included in the count in the old track, may be made serviceable by cutting off the butts. How much may be saved in this way, I cannot state exactly, not having sufficient information on that point; but after a careful review of the whole matter, I will state the probable amount which I think should be appropriated for the purpose of maintenance of the track for the next year ensuing.

By the count there are in all 2955 rails,—weight, about 370 tons. The price of old rails deducted will leave the cost of this renewal at about $25 per ton, equal to $9250.

For sleepers the annual amount of renewal will be required, which is about 14 *per cent.* of the first cost for the old track.

For the road bed, beyond the ordinary cost of maintenance, it would probably be well to expend an amount in ditching for the purpose of more thorough drainage, and protection to the small portion of the banks, which are washed by the tide, $3500.

The whole amount would thus be as follows,

For Rails, - - - - - - - -	$9,250
" Sleepers, - - - - - - -	3,263
" Ditching, &c., - - - - - -	3,500
	$16,013

From which should, of course, be deducted the amount of rails and sleepers on hand.

This amount, with the ordinary expenditure for track men in addition, will in my opinion place and maintain the road bed in good condition for the next year, and it is also probable, that after the bad rails now in the new track are removed, that the remainder will be found serviceable, and thus extra expenditure avoided in subsequent years.

Section 4th. From South Braintree to Plymouth.

This Section was not examined in so minute a manner, as the others; but sufficiently so, to form a correct opinion of its comparative condition.

It is generally in good order, and there is no indication that other than usual repairs will be required upon it. The amount of poor rails counted, was only $1\frac{1}{2}$ *per cent.* of the whole number, showing that the original iron was good, and that the track has been kept in good order. The Road-bed is in good order, and I saw nothing in the examination, which required notice from your Committee.

A copy of the notes taken, is annexed to this report,* that you may have all the details of the examination, and be able to test the correctness of the opinions, expressed in this report, which I respectfully submit to your consideration.

Your ob't servant,

WM. P. PARROTT.

Boston, February 9th, 1850.

* It has not been thought necessary to publish these notes, which are voluminous; but they have been placed on file, for the use of those who may wish to examine them.

B.

Appraisement of Cars, Engines, Tools and Fixtures in Machine-Shop.

LAWRENCE, FEBRUARY 15th, 1850.

MR. F. B. HAYES,

Chairman of the Committee of Investigation of the Old Colony Railroad Company:

SIR:—

We have appraised the passenger, baggage, merchandise, and gravel cars, engines, fixtures, &c., &c., of the Old Colony Railroad, as follows, viz:

Cars.

24	long, and 2 short passenger cars,		$37,925
4	baggage cars,		1,650
34	short platform merchandise cars,		6,612
44	short box do.	do.	10,955
18	long platform do.	do.	8,090
8	six wheel platform do.	do.	2,550
56	gravel cars,		11,460
4	small stone and gravel cars,		200
10	hand cars,		650
			$80,092

Locomotives, &c.

Plymouth	$7,500	Brought up,	$59,100
May Flower	6,700	Quincy	5,000
Hingham	6,500	Patuxet	4,900
Abington	6,500	Miles Standish	3,900
Dorchester	6,500	Gov. Carver	3,700
Weymouth	6,500	Gov. Bradford	3,500
J. Q. Adams	6,500	Comet	800
John Eliot	6,400	1 tender	300
Kingston	6,000	4 snow ploughs	1,325
Carried up,	$59,100		$82,525

Tools and Fixtures, belonging to Machine-Shop.

Fixtures at South Braintree, stationary engine, shafting pullies, belts, pipe, &c., &c.	$1200	Brought up,	$3,815
		1 large lathe,	1,600
		1 " drill,	175
Fixtures at Plymouth, stationary engine, shafting pullies, belts, boilers, pipe, pump, saws, &c.	1440	1 stationary engine and boilers,	800
		1 circular saw for wood,	85
		8 wheelbarrows,	32
Crane at Kingston,	125	1 small drill,	100
1 Daniel's planing machine,	325	1 eleven feet hand lathe,	125
1 circular saw,	165	1 iron planer,	325
2 upright saws,	100	1 engine lathe,	100
2 grindstones and frames,	50	1 eleven feet screw lathe,	400
1 lathe for wood,	50	1 ten feet engine lathe,	225
8 benches,	200	6 counter shafts,	250
1 grindstone,	25	1 crane,	150
9 vices,	135	Shafting pullies and hangers,	716
Carried up,	$3,815		$8,898

(Signed) GEO. S. GRIGGS,
M. C. ANDREWS.

C.

Statement of the Stock issued.

When issued.	Shares taken by Subscribers.	Shares sold by Treasurer.	Shares sold by others.	Rate paid.	Total amount.	Number of shares issued as collateral and remaining out.	
From Aug. 1, '44,						Oct. 1846,	1642
to June 1, '46.	9000			100 00	$900,000	June, 1847,	1912
" June 1, '46, to						Aug. "	1856
Jan'y 1, '48.	3001			100 00	300,100	Sept. "	2968
" Jan'y 1, '48, to						Nov. "	3822
Jan'y 1. '49.	3855			90 00	346,950	Dec. "	4569
February, 1848.		41		90 00	3,690	Jany. 1848,	4155
						Feb. "	3386
" "		15		90 50	1,357 50	Mar. "	3521
						April "	3150
" "		7		89 87½	629 12	May "	3275
						June "	1938
" "		15		89 75	1,346 25	July "	1462
						Aug. "	930
" "			89	89 75	7,987 75	Sep. "	1030
						Nov. "	1105
" "			50	91 75	4,587 50	Dec. "	1353
						Jany. 1849,	1548
March "			8	93 75	750	Feb. "	923
						April "	960
April "		35		93 50	3,272 50	May "	970
						July "	800
June "		5		94 00	470	Oct. "	575
						Nov. '49 to	
Jan'y 1849,		29		87 00	2,523	Feb. '50	500
From Jan'y 1, '49,							
to Dec. 1, '49.	3500			75 00	262,500	Feby. 1850,	300
	19,356	147	147				
	147					These months refer to the last days.	
	147						
Shares	19,650			Total,	$1,836,163 62		

GEO. N. FLETCHER, *Treasurer.*

March, 1850.

D.

Distribution of Stock, 1st March, 1850.

	Number of Stock-holders.	Number of Shares.
Maine.		
Augusta	1	2
Hallowell	1	20
Kennebunkport	2	19
Portland	1	2
South Berwick	1	19
	6	62
New Hampshire.		
Amherst	4	93
Concord	2	11
Derry	2	3
Dover	7	254
Exeter	1	20
Francestown	1	12
Hollis	2	35
Hinsdale	1	5
Hopkinton	1	2
Jaffrey	1	12
Keene	1	10
Manchester	4	53
Nashua	2	6
Peterboro'	2	25
Portsmouth	2	16
Pittsfield	1	10
Rumney	1	5
Stratham	1	2
Wolfboro'	1	22
	37	596
Massachusetts.		
Abington	20	135
Andover	2	80
Boston	316	8810
Bridgewater	4	17
Barnstable	1	5
Beverly	4	24
Braintree	7	36
Brookline	4	23
Brighton	1	20
Charlestown	7	242
Cambridge	7	65
Cabotville	1	6
Carver	10	51
Chelsea	1	10
Cohasset	1	7
Dorchester	6	29
Dedham	3	24
Danvers	2	41
Carried up	397	9625

	Number of Stock-holders.	Number of Shares.
Brought up	397	9625
Duxbury	6	350
Gloucester	2	17
Groton	1	25
Hingham	14	218
Holliston	1	4
Halifax	1	20
Ipswich	1	7
Kingston	29	312
Lynn	9	114
Lowell	5	42
Lunenburg	4	13
Leicester	1	5
Lincoln	1	18
Leominster	1	12
Lawrence	1	5
Milton	8	61
Malden	2	12
Mason Village	1	5
Medway	1	5
Middleboro'	1	3
Methuen	1	10
Milford	1	6
Medford	2	16
Northwood	1	10
New Bedford	2	16
Newburyport	4	35
Neponset	1	3
Newton	1	3
Northboro'	1	5
Plymouth	61	1157
Pembroke	4	7
Plympton	2	14
Petersham	1	5
Provincetown	1	5
Quincy	10	254
Randolph	1	10
Roxbury	17	199
Rockbottom	1	5
Salem	26	535
Scituate	1	16
Stoughton	1	3
Taunton	1	5
Watertown	2	124
Weymouth	8	41
Waltham	3	14
Worcester	3	32
Weston	3	21
Wareham	2	55
Woburn	1	1
Walpole	1	9
	651	13,489

	Number of Stock-holders.	Number of Shares.
Rhode Island.		
Bristol	2	142
Newport	1	16
Providence	2	7
	5	165
Connecticut.		
Durham	1	7
Farmington	1	12
New London	1	3
Stonington	1	7
Somers	1	25
	5	54
New York	4	19
New Jersey	1	5
Pennsylvania	1	10
Ohio	1	12
Mexico	1	20
Sandwich Islands	1	2
Residences Unknown,	607	5216

RECAPITULATION.

	Stockholders.	Shares.
Maine	6	62
New Hampshire	37	596
Massachusetts	651	13,489
Rhode Island	5	165
Connecticut	5	54
New York	4	19
New Jersey	1	5
Pennsylvania	1	10
Ohio	1	12
Mexico	1	20
Sandwich Islands	1	2
Residence not known	607	5216
	1320	19,650

E.

Amounts carried to Construction Account, in 1848 *and* 1849.

From	1848		1849	
Expense Account, - -	Nov.	499.31	December,	8,080.25
Engineering do - - -	"	1,090.50	June,	638.82
Land and Land Damage Account, - - - - -	"	11,952.53	June,	5,925.12
do do			December,	629.27
Grading and Masonry Acc't,	Nov.	4,662.83	June,	6,369.06
do do do			December,	983.83
Abington Branch do	Nov.	2,156.80	June,	1,480.44
Bridging do			June,	8,408.50
Superstructure do	Nov.	22,652.58	June,	8,058.28
do do			December,	217.50
Iron do			June,	15.99
Fencing do	Nov.	1,071.58	June,	48.77
do do			December,	49.74
Car and Engine do	Nov.	61,519.51	June & Dec.	37,682.22
Depot do	Nov.	27,477.39	June & Dec.	8,702.60
Plymouth Hotel do	Dec.	1,939.95		
Machine Shop do			May & Nov.	6,573.72
South Cove Land do	Nov.	1,191.60	June,	655.01
Contingent do			Jan. & Dec.	162,156.79
Granite Branch do	Nov.	17,853.52	December,	510.00
Interest do	Dec.	66,586.94		
Second Track do	Nov.	175,919.77	June,	4,565.58
J. A. Sampson,			March,	10.00
J. H. Bufford & Co. "Lithographs," - - - -			May,	100.25
J. L. Hedge, "Services and Expenses," - - -			August,	43.50
C. T. & T. H. Russell, "Law Expenses," - - -			February,	50.00
do do do			February,	232.45
E. H. Derby, "Law Expenses,"			February,	250.00
do do			October,	50.64
Use of Land, - - -			March,	15.00
Work on Bath House at Plymouth, - - - -			August,	36.00
Pay Rolls for Labor, - -			Aug. to Nov.	999.15
Gravelling and filling up at South Boston and Braintree,				2,460.00
		$396,574.81		$265,998.48
			Total,	$662,573.29

F.

List of Officers and Employees.

Superintendent's Office.

1	Clerk, per month, $58.33 1-3	per year		$700 00

Conductors of Passenger Trains.

2	at per month $54.16 2-3,	per year	1300	
1	do 50,	do	600	
2	do 41.66 2-3,	do	1000	
1	do 33.33 1-3,	do	400	
6				3,300 00

Station Agents and Ticket Masters.

1	at Boston, per month $54.16 2-3,	per year	650	
1	do do 37.50,	do	450	
1	each at Crescent Avenue and Savin Hill for 6 months, winter only, per month $4,	do	48	
1	at Dorchester, do 25,	do	300	
1	Neponset, do 29.16 2-3,	do	350	
1	Quincy, do 33.33 1-3,	do	400	
1	Braintree, do 25,	do	300	
1	South Braintree, at per day $1,	do	313	
1	South Weymouth, at per month $20.83 1-3,	do	250	
1	North Abington, at per day $1,	do	313	
1	Abington, at per month $29.16 2-3, including mail,	do	350	
1	South Abington, at per day $1.12 1-2,	do	352.12½	
1	North Hanson, at per month $10.41 2-3,	do	125	
1	Hanson, do 15,	do	180	
1	Halifax, do 10.41 2-3,	do	125	
1	Plympton, do 20.83 1-3,	do	250	
1	Kingston, do 20.83 1-3,	do	250	
1	Plymouth, do 50,	do	600	
18				5,606.12½

Bridgewater Branch.

1	East Bridgewater, per month $25,	per year	300	
1	Bridgewater, do 12.50,	do	150	
1	Joppa, do 12.50,	do	150	
3				600 00

South Shore Road.

1	Weymouth, per month $25,	per year	300	
1	North Weymouth, per month $20.83 1-3	do	250	
1	East Weymouth, do 25	do	300	
1	Hingham, do 25	do	300	
1	Nantasket, do 12.50,	do	150	
1	Cohasset, do 30	do	360	
6				1,660 00

Dorchester and Milton Branch.

1	Granite Bridge, per month $8.33 1-3	per year	100	
1	Milton Lower Mills, per day 1.12 1-2	do	352.12½	
1	Milton Upper Mills, do 1	do	313	
3				765.12½
	Amount carried forward,			$12,631 25

	Amount brought forward					$12,631 25
			Freight Department.			
1	General Freight Agent,	per month	$58.33 1-3	per year	700	
1	Clerk,	do	47.25	do	567	
1	do	do	28	do	336	
2	Men,	per day	1.50	do	939	
3	do	do	1.25	do	1173.75	
6	do	do	1	do	1878	
1	Office Boy,	do	.50	do	156.50	
15						5,750 25
			Baggage Masters and Brakemen.			
15		per day $1.12 1-2		per year 5281.87 1-2		5,281.87½
			Porters at Depot.			
1	at Boston, per day, including Sundays,		$1	per year	365	
1	do do		90c	do	281.70	
2						646 70
			Watchmen and Draw Tenders.			
2	at Boston,	per day	$1.25	per year	782.50	
1	South Braintree,	do	1.12 1-2	do	352.12½	
1	Plymouth,	do	1	do	313	
4						1,447 6
			Switchmen.			
2	at Boston,	per day	$1.12 1-2	per year	704.25	
1	do	do	1	do	313	
1	Neponset,	do	1.12 1-2	do	352.12½	
1	Quincy,	do	1	do	313	
1	South Braintree,	do	1.12 1-2	do	352.12½	
1	Cohasset,	do	1.12 1-2	do	352.12½	
1	Plymouth,	do	1	do	313	
8						2,699.62½
			Enginemen.			
9	at	per day	$2.25	per year	6338.25	
1		do	2.50	do	782.50	
1	Gravel,	do	3	do	939.00	
1	Stationary,	do	1.25	do	391.25	
12						8,451 00
			Firemen.			
11	at	per day	$1.25	per year	4303.75	
1	Gravel,	do	1.50	do	469.50	
12						4,773 25
			Gatemen and Flagmen.			
4	at	per day	$1	per year,	1252	
1		do	1.12 1-2	do	352.12 1-2	
1		per month	8.33 1-3	do	100	
6						1,704 12½
	Amount carried forward					$43,385 70

Amount brought forward						$43,385 70

Woodmen and Watermen.

1	at Boston,	per day	$1.50	per year	469.50	
6	do	do	1	do	1878	
2	do	do	1.25	do	782.50	
1	Neponset,	do	1	do	313	
1	South Braintree,	do	1.12 1-2	do	352.12 1-2	
1	do	do	1	do	313	
2	Plymouth,	do	1	do	626	
1	do	do	1.25	do	391.25	
15						5,125 37½

Road Repairmen.

1 man, at	per day	$1.75	per year	547.75	
7 men, at	do	1.50	do	3286.50	
2 men, at	do	1.37 1-2	do	860.75	
1 man, at	do	1.16 2-3	do	365.16	
4 men, at	do	1.25	do	1565	
12 men, at	do	1.12 1-2	do	4225.50	
9 men, at	do	1	do	2817	
1 man, at	do	90	do	281.70	
4 men, at	do	85	do	1064.20	
41					15,013 56

Car and Machine Shop.

1 man, at	per day	$3	per year	939	
4 men, at	do	2	do	2504	
1 man, at	do	1.92	do	600.96	
7 men, at	do	1.75	do	3834.25	
8 men, at	do	1.67	do	4181.68	
2 men, at	do	1.50	do	939	
3 men, at	do	1.33 1-3	do	1252	
9 men, at	do	1.25	do	3521.25	
3 men, at	do	1	do	939	
1 man, at	do	87 1-2	do	273.87	
1 man, at	do	75	do	234.75	
1 man, at	do	50	do	156.50	
41					19,376 26

President.

E. H. Derby, per year,		1,500 00

Superintendent.

Joseph H. Moore, per year,		1,800 00

Treasurer.

George N. Fletcher, per year,	1,000	
1 Clerk,	400	
1 do for Corporation and Directors,	60	
		1,460 00
213 Employees	Total,	$87,660 89½

JOSEPH H. MOORE, *Superintendent.*

BOSTON, FEBRUARY 14, 1850.

G.

Report of the number of Persons (except those in the employ of the Company) carried free over the Road, during one year ending December 1st, 1849.

To and From	1848 Dec'r.	1849 January.	February	March.	April.	May.	June.	July.	August.	Sept'r.	October.	Nov'r.	Total.
Old Colony Railroad,	137	141	118	161	175	125	143	147	68	74	62	80	1431
Fall River Railroad,	159	176	195	216	257	329	237	230	227	60	80	72	2238
South Shore Railroad,		17	3		47	163	172	203	204	175	106	98	1188
Abington Br. Railroad,	3	2	2	3	2	9	2	4	3	1	3		34
Dorch. & Mil. Railroad,	121	115	98	124	156	143	152	167	159	104	91	65	1495
Employees of the Samoset House,	12	6	7	4	20	13	16	26	17	22	11	1	155
	432	457	423	508	657	782	722	777	678	436	353	316	6541

JOS. H. MOORE, *Sup't.*

Boston, Feb. 9, 1850.

H.

Estimated expense of Running the several Trains on Main Line and Branches, during the year ending November 30, 1849.

	Passenger Trains on Main Road.	South Shore Road. 11 months.	Dorchester and Milton Branch.	Abington and Bridgewater Branch.	Old Colony Freight Trains.	Fall River Freight Trains.	Fall River Passenger Trains.	Evans's Gravel Trains.	Old Colony Gravel Trains.	Total.	Cost per mile.
Salaries and Wages,	19,092.17	5,499.00	2,096.50	2,663.31	12,555.22	1,704.24	4,699.50	1,352.00	1,400.34	51,062.28	cts. 21.736
Fuel and Oil, - - -	16,426.30	4,073.18	2,114.31	3,013.75	7,103.26	2,466.99	5,395.00	5,325.94	2,917.40	48,836.13	20.789
Locomotive Repairs,	7,706.03	2,086.56	854.49	1,639.68	1,912.82	575 92	1,727.76	1,167.52	899.20	18,569.98	7.905
Maintenance of Way,	8,493.75	3,443.00	1,095.50	1,408.50	1,912.82	575.92	1,727.76	1,167.52	899.20	20,723.97	8.822
Car Repairs, - - -	5,124.86	1,304.10	620.35	1,171.20	3,295.20				1,800.00	13,315.71	5.668
Taxes, Insurance, and other Expenses, -	8,855.96	808.28	466.63	1,312.50	546.68	287.96	1,132.95	791.88	727.80	14,930.64	6.355
Total, - - -	$65,699.07	17,214.12	7,247.78	11,208.94	27,326.00	5,611.03	14,682.97	9,804.86	8,643.94	167,438.71	71.275
Miles run by Trains,	91,248	26,082	12,207	23,424	27,326	7,199	21,597	14,594	11,240	234,917	miles.
Cost per mile, - -	.72	.66	.59 374/1000	.47 852/1000	1.00	.77 942/1000	.67 986/1000	.67 184/1000	.76 900/1000		

Boston, February 12, 1850.

JOS. H. MOORE, *Sup't.*

I.

Receipts from Passengers and Freight, for the year ending November 30, 1849.

	Receipts from Passengers to and from Boston.	Receipts from Passengers to and from Way-Stations.	Total am't received from Passengers.	Receipts from Freight to and from Boston.	Receipts from Freight to and from Way-stations	Total am't received from Freight.	Total am't received from Passengers and Freight.
Crescent Avenue,	1,272.75	24.49	1,297.24				1,297.24
Savin Hill, - - - - -	1,599.50	24.20	1,623.70				1,623.70
Harrison Square, -	6,301.62	662.14	6,963.76	4.98	60.52	65.50	7,029.26
Neponset, - - - - -	4,173.99	817.38	4,991.37	60.42	1,157.08	1,217.50	6,208.87
Granite Bridge, - -	958.79	24.58	983.37				983.37
Milton Lower Mills,	7,997.90	241.82	8,239.72	177.00	32.16	209.16	8,448.88
Milton Upper Mills,	1,994.52	159.04	2,153.56	953.50	2.05	955.55	3,109.11
Quincy, - - - - - -	15,016.64	735.57	15,752.21	1,076.09	361.91	1,438.00	17,190.21
Braintree, - - - - -	3,940.33	939.40	4,879.73	528.17	278.37	806.54	5,686.27
East Braintree, - - -	949.30	80.38	1,029.68	138.22	255.42	393.64	1,423.32
Weymouth, - - - -	4,305.59	422.09	4,727.68	190.84	1,327.00	1,517.84	6,245.52
North Weymouth, -	1,824.76	183.83	2,008.59	13.93	5.00	18.93	2,027.52
East Weymouth, - -	2,360.71	337.62	2,698.33	340.96	139.54	480.50	3,178.83
Hingham, - - - - -	11,029.37	531.90	11,561.27	513.47	47.58	561.05	12,122.32
Nantasket, - - - - -	1,244.70	162.75	1,407.45	38.75	.70	39.45	1,446.90
Cohasset, - - - - - -	11,681.22	857.27	12,538.49	1,541.23	18.37	1,559.60	14,098.09
South Braintree, - -	5,307.97	318.35	5,626.32	641.92	231.72	873.64	6,499.96
Fall River Road, - -	35,480.39		35,480.39	14,794.94		14,794.94	50,275.33
South Weymouth,	3,307.60	340.30	3,647.90	568.03	78.66	646 69	4,294.59
North Abington, - -	6,872.20	349.15	7,221.35	3,154.95	248.20	3,403.15	10,624.50
Abington, - - - - -	5,023.00	603 33	5,626.33	1,647.81	65.81	1,713.62	7,339.95
South Abington, - -	2,568.70	780.11	3,348.81	1,764.60	102.50	1,867.10	5,215.91
Northville, - - - - -	109.80	41.80	151.60	49.57	18.85	68.42	220.02
East Bridgewater, -	2,990.40	186.00	3,176.40	3,623.34	172.73	3,796.07	6,972.47
Joppa, - - - - - - -	206.40	18.05	224.45	10.60	9.19	19.79	244.24
Bridgewater, - - - -	592.80	2,147.05	2,739.85	308.25	652.42	960.67	3,700.52
North Hanson, - - -	1,356.50	145.61	1,502.11	624.00	25 20	649.20	2,151.31
Hanson, - - - - - -	1,268.15	227.03	1,495.18	549.99	80.41	630.40	2,125.58
Halifax, - - - - - -	841.00	172.77	1,013.77	310.10	103.84	413.94	1,427.71
Plympton, - - - - -	1,496.20	329.58	1,825.78	6,820.16	105.00	6,925.16	8,750.94
Kingston, - - - - - -	10,371.40	903.48	11,274.88	1,857.43	216.13	2,073.56	13,348.44
Plymouth, - - - - -	14,848.08	2,610.15	17,458.23	8,063.48	1,238.47	9,301.95	26,760.18
	$169,292.28	15,377.22	184,669.50	50,366.73	7,034.83	57,401.56	242,071.06

Less amount earned in 1849, carried to new account, - - - - - - - -	1,769.33
	$240,301.73
Transportation of Gravel for City of Boston, - - - - - - - - -	16,282.71
" " Mails, Rents, and Sundries, - - - - - - - - -	18,482.14
	$275,066.58

JOS. H. MOORE, *Sup't.*

March 27, 1850.

J.

Passenger Tariff and Average Rates of Fare on Main Line.

Distance from Boston.		Fare.	Package.	Average per mile.	1849. Season Tickets. 12 months	6 months.	3 months.	1 month.	Fare.	Package.	Average per mile.	1850. Season Tickets. 12 months.	6 months.	3 months.	1 month.
Miles 2		Crescent Avenue,	.10	.6¼	4.06	20.00	12.00	7.00	3.50	.10		.5.00	25.	15.	9.00	4.00
" 3		Savin Hill,	.10	.7	3.83	23.00	14.00	8.00	4.00	.10		.3.33	25.	15.	9.00	4.00
" 3	8-10	Dorchester,	.10	.8	2.36	25.00	15.00	9.00	4.50	.12		.3.15	30.	18.	10.80	4.80
" 5		Neponset,	.1	.10	2.25	28.00	17.00	10.00	5.00	.15		.3.00	30.	18.	10.80	4.80
" 8		Quincy,	.2	.17½	2.34	37.50	20.00	12.00	6.00	.25		.3.12	45.	27.	16.20	7.20
" 10	2-10	Braintree,	.25	.21¼	2.20	40 00	24.00	14.00	7.00	.30		.2.94	50.	30.	18.00	8.00
" 11	5 10	South Braintree,	.30	.25	2.39	44.00	26.00	15.00	7.50	.35		.3.04	55.	33.	19.80	8.80
" 14	9-10	South Weymouth,	.40		2.68	50.00	30.00	18.00	9.00	.45		.3.02	60.	36.	21.60	9.60
" 17	9-10	North Abington,	.45		2.51	56.00	34.00	20.00	10.00	.54		.3.01	70.	42.	25.20	11.20
" 19	3 10	Abington,	.50		2.59	60.00	36.00	21.00	10.50	.58		.3.00	75.	45.	27.00	12.00
" 21	2-10	South Abington,	.55		2.47	64.00	38.00	22.00	11.00	.62		.2.97	80.	48	28.80	12.80
" 23	2-10	North Hanson,	.60		2.58	66.00	40.00	24.00	12 00	.70		.3.01	90.	54.	32.40	14.40
" 24	7-10	Hanson,	.65		2.63	66.00	40.00	24 00	12.00	.75		.3.03	90.	54.	32.40	14.40
" 28	5-10	Halifax,	.75		2.63	70.00	42.00	25.00	12.50	.85		.2.98	95.	57.	34.20	15.20
" 29	9-10	Plympton,	.80		2.67	74.00	45.00	27.00	12.50	.90		.3.01	100.	60.	36.00	16.00
" 33	2-10	Kingston,	.90		2.71	78.00	47.00	28.00	12.50	1.00		.3.01	115.	69.	41.40	15.00
" 37	5-10	Plymouth,	1.00		2.66	80.00	48.00	30.00	12.50	1.12½		.3.00	125.	75.	45.00	16.50

The average rate per mile for passengers on Main Line and Branches, from November 30, 1848 to November 30, 1849, is .2.99-1000 cents. This rate includes way-passengers who pay from three to six cents per mile,

Boston, March 18, 1850.

JOS. H. MOORE, *Sup't.*

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Passenger Tariff and Average Rates of Fare on Branches.

Distance from Boston.	BRANCHES.	Fare.	Package.	Av. per mile.	1849. Season Tickets. 12 mo.	6 mo.	3 mo.	1 mo.	Fare.	Package.	Av. per mile.	1850. Season Tickets. 12 mo.	6 mo.	3 mo.	1 mo.
	Abington and Bridgewater Branch.														
Miles. 23 1-10	Northville,	.60		.2.59	66.00	40.00	24.00	12.00	.65		.2.81	66.00	40.00	24.00	12.00
" 25 1-10	East Bridgewater,	.60		.2.31	66.00	40.00	24.00	12.00	.65		.2.58	66.00	40.00	24.00	12.00
" 26 2-10	Joppa,	.60		.2 29	66.00	40.00	24.00	12.00	.65		.2.48	66.00	40.00	24.00	12.00
" 28 8-10	Bridgewater,	.65		.2.25	70.00	42.00	25.00	12.50	.65		.2.25	70.00	42.00	25.00	12.50
	*South Shore Railroad, *(see remarks.)*														
" 11 4-10	East Braintree,	.28		.2.45	45.00	27.00	16.80	8.40	.34		.2.98	54.50	32.70	19.62	8.72
" 12 1-10	Weymouth,	.30		.2.47	45.00	27.00	16.80	8.40	.36		.2.97	57.80	34.68	20.80	9.24
" 13 4-10	North Weymouth,	.32		.2.38	48.00	28.80	17.28	8.64	.40		.2.98	48.00	28.80	17.28	8.64
" 14 8-10	East Weymouth,	.35		.2.36	48.00	28.80	17.28	8.64	.43		.2.90	59.50	35.76	21.45	9.53
" 17 3-10	Hingham,	.37½		.2.16	50.00	30.00	18.00	9.00	.45		.2.60	61.60	36.90	22.14	9.84
" 19 3-10	Nantasket,	.40		.2.07	56.00	33.60	20.16	10.08	.50		.2.59	68.00	40.80	24.48	10.88
" 21 7-10	Cohasset,	.50		.2.50	56.00	33.60	20.16	10.08	.60		.2.76	75.00	45.00	27.00	12.00
	Dorchester and Milton Branch.														
" 6	Granite Bridge,	.15	.12½	.2.29	32.00	18.00	11.00	5.50	.18		.3.00	38.75	20.20	12.15	5.40
" 7	Milton Lower Mills,	.18	.15	.2.35	34.00	19.00	11.50	5.75	.20		.2.85	39.37	23.62	14.17	6.29
" 8 2-10	Milton Upper Mills,	.20	.17½	.2.28	37.50	20.00	12.00	6.00	.25		.3.04	45.00	27.00	16.20	7.20

* *Remarks.* January to July 1849, Fare as above stated. July to October, 25 cts., to any station. October and November as above, as far as Weymouth; Fare to Hingham 12 1-2 cts., Nantasket 20 cts., Cohasset, 25 cts. by express train leaving C. at 7 A. M., returning at 4 P. M.; by other trains as above stated. December, as above. July and August, monthly tickets $5 for Hingham, Nantasket and Cohasset.

Boston, February 11, 1850.

JOSEPH H. MOORE, *Superintendent.*